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MINUTES OF EVIDENCE
TAKEN BEFORE THE
SELECT COMMITTEE
ON THE
A F F A I R S
OF
THE EAST INDIA COMPANY;
AND ALSO AN
APPENDIX AND INDEX.

II.

Finance and Accounts—Trade.

Part 1—Finance.

Ordered, by The House of Commons, to be Printed,

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MINUTES OF EVIDENCE

TAKEN BEFORE THE

A F F A I R S

Extract from the Report of the Committee on the Head—

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MINUTES OF EVIDENCE

Part 1.

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II.—*Finance and Accounts—Trade.*

EXTRACT from the REPORT of the COMMITTEE.

BEFORE Your Committee proceed to state the results of their Inquiries, it may be useful to offer a brief review of the principal Legislative Enactments which have heretofore passed, relating to the Financial and Commercial Concerns of the Company.

The Charter granted by King William the Third, in the year 1698, is the foundation of the privileges now enjoyed by the United East India Company.

The exclusive privilege of trading Eastward of the Cape of Good Hope to the Straits of Magellan, then granted, was confirmed by the Act of 9 & 10 Will. 3, c. 44, and was subsequently continued to them by successive Acts of Parliament, until 1794. In 1793, the Act of 33 Geo. 3, c. 52, was passed, by which the British Territories in India, together with the exclusive Trade, were, under certain Limitations, continued to the Company for the further term of 20 years. In 1814, the Trade with India was opened to the Public, and that with China, and the trade in Tea generally, was reserved exclusively to the Company.

The Capital Stock of the Company was originally £. 2,000,000. It was afterwards increased, under the authority of successive Enactments, as follows:—

In 1708	-	-	-	-	-	-	1,200,000
1786	-	-	-	-	-	-	800,000
1789	-	-	-	-	-	-	1,000,000
1794	-	-	-	-	-	-	1,000,000
Total							<u>£. 6,000,000</u>

Some of the portions of this Capital were raised at rates far exceeding their nominal amount. The sum actually subscribed in 1794 was 2,027,295 l., and the whole amount which has been paid into the Company's Treasury for capital stock is 7,780,000 l.

The Legislative Enactments respecting the Territorial Possessions of the Company commenced in 1767. In that year it was agreed, between the Public and the Company, that in consideration of an annual payment of 400,000 l., the large Territorial Possessions which had been recently obtained in India should remain in possession of the Company for the term of two years. This term was afterwards extended to five years more, from the 1st February 1769. The Sums paid to the Public under these two Acts were—

7 Geo. 3, c. 57.

9 Geo. 3, c. 24.

In 1768	-	-	-	-	-	-	£. 400,000	-	-
1769	-	-	-	-	-	-	400,000	-	-
1770	-	-	-	-	-	-	400,000	-	-
1771	-	-	-	-	-	-	400,000	-	-
1772	-	-	-	-	-	-	200,000	-	-
1773	-	-	-	-	-	-	253,779	3	5 1/2
1775 (payable in 1773)	-	-	-	-	-	-	115,619	14	9
Total							<u>£. 2,169,398</u>	<u>18</u>	<u>2 1/2</u>

In 1773 the Company presented a Petition to Parliament, praying for relief. They solicited a Loan for four years, and a sum of 1,400,000*l.* was accordingly lent to them. Parliament, upon that occasion, first assumed a general regulation of the Company's Affairs. The Governor-General in Council, and the Supreme Court of Judicature at Calcutta, were established; the mode of electing Directors, and the qualification of Voters, were determined; an appropriation was made of the Revenues and Profits of the Company; the Dividend was regulated; and Statements were required to be rendered half-yearly to the Treasury of the Profit and Loss upon the Trade and Revenues, and of the Company's Debts in England, exclusive of their Bond Debt.

The Loan of 1,400,000*l.* having been discharged, two other Acts were successively passed, by each of which the Territory was continued to the Company for one year.

In 1781 an Act was passed for continuing the Territorial Acquisitions and Revenues in the Company for a period terminating upon three years' notice, to be given after 1st March 1791. Under this Act the Company paid to the Public 400,000*l.*, in satisfaction of all claims up to 1st March 1781.

In 1793 the same privileges were extended to the Company from 1794 until the year 1814. Under the provisions of this Act, the Company were to pay to the Public the sum of 500,000*l.* annually, unless prevented by war expenditure; but, owing to the state of their Finances during that period of continued hostilities, they were unable to make more than two payments, of 250,000*l.* each, in the years 1793-4 and 1794-5.

On two occasions subsequently to 1793, pecuniary assistance was rendered to the Company by the Public, under the authority of the Legislature. In 1810, a Loan of 1,500,000*l.* in Exchequer Bills, was advanced to them, which was repaid soon afterwards by advances for His Majesty's service, made in India. In 1812, a Loan of 2,500,000*l.* was raised by Government for the service of the Company, in consequence of the large demands upon the Home Treasury for the payment of Bills of Exchange for principal of India Debt. This Loan was liquidated in part by annual payments, and the balance was discharged in 1822.

The payment of large Sums to the Company was occasionally authorised by Parliament during the period between 1794 and 1814, not in the way of Loan, but in repayment of Advances previously made by them in India on account of His Majesty's Service.

In the years 1810, 1811, and 1812, Select Committees of the House of Commons were appointed to inquire into the State of the Affairs of the East India Company. They presented five Reports on different branches of the subject referred to them. The First Report communicated evidence on the existing state of the Company's Affairs preceding the advance of 1,500,000*l.* in Exchequer Bills. The Second, Third and Fourth, were devoted to the Financial Affairs of the Company. The Fifth embraced several subjects, but principally treated of the Land Revenue and the Judicial System established in India.

In the Second Report, the Committee presented "a detailed Statement of the *Ordinary Revenues and Charges* of the East India Company's Territorial Possessions, and a comparison of the Amount of those Revenues and Charges at the last renewal of the Company's Charter in 1793, with their Amount according to the latest advices which had been received from India."

The Third Report treated of those Receipts and Disbursements in India which were termed *Extraordinary*, and of the Debts and Assets of the Company abroad.

In

In the Fourth Report, the Transactions of "the Home Concern," including China and St. Helena, were considered; and the state of the Company's affairs both at home and abroad was brought into one view, and compared with their state in 1793.

In all the Enactments down to that of 1793 inclusive, the Territorial and Commercial Affairs of the Company had been blended together as forming one undivided concern; and although the Revenues of the Company in India, and their Profits in Great Britain, had been separately appropriated, yet no direct provision had ever been made for accurately distinguishing, either in India or in England, those receipts and disbursements which were of a Political character, from those which properly appertained to the Commercial Branch.

The great difficulty which the Committees of 1810-11-12 experienced in the investigation of the East India Company's Financial Affairs arose chiefly from this circumstance, and is repeatedly adverted to in their Reports.

The Act 53 Geo. 3, c. 155, contains provisions which, by effecting a separation of Accounts between the two branches of the Company's affairs, appear to have been intended to remove this ground of difficulty for the future. It directs, that the Accounts of the Company, abroad and at home, shall be so kept and arranged, as to contain and exhibit the receipts, disbursements, debts and assets appertaining to, or connected with, the Territorial, Political, and Commercial branches of their affairs respectively; and that they shall be made up so as to exhibit the Accounts of the Territorial and Political departments separately and distinctly from such as appertain to, or are connected with, the Commercial branch of their affairs. It also directs, that a plan for the arrangement of the Accounts required to be laid before Parliament by the Act of 33 Geo. 3, c. 52, shall be prepared, and submitted to the Board of Commissioners for the Affairs of India for their approbation, and that the several Accounts required to be annually laid before Parliament shall be prepared and arranged in conformity to the principles of the Plan of Separation.

1813.

Sects. 64 & 65.

Appendix No. 1.

The appropriations made by the last-mentioned Act are as follow:

The Territorial Revenues, after defraying the expenses of collection, are required to be applied,

Sect. 55.

1st. In maintaining Forces and Forts, and providing Warlike and Naval Stores.

2d. In payment of Interest on Indian Debt, including such portion of it as might be demanded in Bills on the Court; to meet which, provision is required at all times to be made by consignments or remittances to England.

3d. In defraying Expenses of Civil and Commercial Establishments.

4th. Towards the liquidation of the Territorial Debt, or of the Bond Debt at Home, or to such other purposes (subject to the provision afterwards mentioned) as the Court of Directors, with the approbation of the Board of Commissioners, shall direct.

A sum is annually to be issued in India for Commercial investment, or remittance to England, equal to the payments made from the Commercial Funds at home, on account of Territorial Charges, in the year preceding.

Sect. 56.

The Commercial Profits, and other home receipts, are to be applied,

Sect. 57.

1st. To the payment of Bills of Exchange.

735-II.

a 3

2d. To

2d. To the current payment of other Debts (except the Home Bond Debt), Interest, and Commercial expenses.

3d. To the payment of Dividends.

4th. To the reduction of Indian Debt, or Home Bond Debt.

The 59th Section of this Act provides, that, when the Indian Debt shall have been reduced to 10,000,000*l.*, and the Bond Debt at Home to 3,000,000*l.* sterling, the surplus proceeds of Rents, Revenues and Profits shall be applied to the repayment of the Capital of any Public Funds created for the use of the Company; and that the remaining Surplus shall be paid into the Receipt of the Exchequer, and constitute a Fund (not exceeding 12,000,000*l.*) for securing the Capital Stock of the Company, and a Dividend of 10½ per cent. in respect thereof; and that, of the excess of such payments beyond 12,000,000*l.*, one-sixth shall be retained by the Company, and the remaining five-sixths be the property of the Public.

In consequence of the directions contained in the Act 53 Geo. 3, c. 155, a plan for the separation of the Accounts was prepared by the Court of Directors, and, after some Amendments, was approved by the Board of Commissioners.

A letter was addressed by the Court of Directors to the Governor General in Council, on the 6th of September 1813, containing instructions for carrying into effect the provisions of the Act. In reference to the separation of Accounts, it contains the following passage: "We cannot more distinctly explain our views of the construction of the Sections of the Act which have now been brought under notice, than by observing, that although the management of the whole, as one concern, remains with us, it is requisite that the Political Branch should be considered as an affair of Government, the Commercial as that of a Mercantile Transaction, and by debiting and crediting in Account the transactions between them in Advances and Supplies, as if they were absolutely distinct and separate concerns, so that Accounts of Receipt and Expenditure and Balance may be duly rendered by each respectively, in the way required by Parliament."

YOUR Committee have considered the Finances of India, since the last arrangement with the East India Company, in relation to

I.—The Territory of India.

II.—The connexion of the Territorial Finances with the Commerce of the East India Company.

I.—THE TERRITORY OF INDIA.

UNDER this head Your Committee have inquired, What have been the Revenues of India and the Subordinate Settlements, what the Charges, and what the Deficiency; From what sources, and in what way, that Deficiency has been supplied; and what are the Territorial Debts and Assets.

The East India Company are required, within the first 14 sitting days next after the 1st of May in every year, to lay before the Houses of Parliament, Accounts, Territorial and Commercial, made up according to the latest advices which shall have been received, and with as much accuracy as the nature of the case will admit.

Upon an examination of the Accounts laid before Parliament, under the Act 33 Geo. 3, c. 52, Your Committee were unable to reconcile the different

33 Geo. 3, c. 52,
s. 126.
54 Geo. 3, c. 36,
s. 55.

different Financial Statements with each other. Although it was highly probable that many of the discrepancies were only apparent, yet, in order to obtain clear and satisfactory results, it was deemed necessary that all the intermediate Receipts and Disbursements, by which the alleged state of the Territorial Finances at the commencement of the present term might be traced to their alleged state at the end of it, should be clearly and satisfactorily explained, and the one made exactly to agree with the other.

It has been stated, and, Your Committee doubt not, correctly, that Accounts made up within the time which Parliament has thus prescribed, cannot exhibit such balanced Statements of Results as would preclude the risk of errors or omissions; and although it has been the practice to accompany the Accounts required by the Parliamentary Enactment with Abstracts of the Cash Statements of Receipt and Disbursement made up in India, yet it was not possible, without further information, to deduce from them full and complete Statements of the Financial Results.

Under these circumstances, a new series of Accounts was called for; and these, together with some further explanations, having been supplied, a Report, drawn up under the direction of the Board of Control, in which it was shown that these Accounts had been reduced to the test of a balance, was laid before Your Committee. A Balance Sheet, together with an explanation of the principle upon which it is made out, will be found in that Report.

Commercial and
Territorial Series,
Appendix, Nos. 3
and 4.

Appendix No. 2.

1. Territorial Revenues.

The Gross Revenues of the three Presidencies and the Subordinate Settlements, during the fifteen years ending in 1828-9, were as follows: Appendix, Nos. 7, 8 & 9, to No. 2

Bengal	-	-	-	-	-	£. 196,121,983
Madras	-	-	-	-	-	82,042,967
Bombay	-	-	-	-	-	30,986,970
						£. 309,151,920
Subordinate Settlements	-	-	-	-	-	821,505
						£. 309,973,425
To this may be added a Sum received in 1815-16						
from the Vizier of Oude in exchange for Terri-						1,109,975
tory						
						£. 311,083,400

The following Statement for the year 1828-9 will show the proportions in which the Revenue is derived from different sources:—Mint Receipts, 19,414*l.*; Post-Office, 135,617*l.*; Stamps, 368,431*l.*; Judicial, 126,464*l.*; Land Revenue, including certain small miscellaneous receipts, 12,895,366*l.*; Syer and Abkaree, 861,196*l.*; Small Farms and Licences, and Moturpha, or Tax on Professions, 152,780*l.*; Ceded Territory on the Nerbuddah, 457,923*l.*; Burmese Cessions, 117,326*l.*; Subsidies from Mysore, Travancore, and Cochin, 392,355*l.*; Salt, 2,700,147*l.*; Opium, 1,930,891*l.*; Tobacco, 85,128*l.*; Customs, 1,869,634*l.*; Marine, 77,787*l.*; Profits of the Madras Government Bank, 10,013*l.*; Extraordinary Receipts from Ava, Bhurtpore, and Scindiah, and from the Madras Native Pension Fund, 491,249*l.*; making the Total Revenue in this year 22,691,721*l.*

Papers presented in February 1830, by the King's command, No. 2, Appendix No. 11, to No. 2.

Evidence before Lords, 1830.

Appendix, No. 38.

The Gross Revenues of India have progressively increased to a considerable amount. Their annual average amount, in the three last years of the term which expired in 1814, was 16,764,700*l.*; the average of the three last years, up to 1828-9 inclusive, was 22,987,472*l.*

These sums, being stated in gross, are chargeable with the expenses incurred in the collection of the Revenue, in the manufacture of Salt and Opium, and in the payment of Stipends under the several Treaties and Engagements by which the Company hold the Territory, amounting to about five millions per annum. After deducting this sum, the remainder is the Revenue applicable to the Expenses of the Civil and Military Government, and the Interest of the Debt.

The Gross Revenue of India has been increased by the acquisition of new Territory; but improved and extended Tillage, enlarged Commercial Dealings, an increase of Population, the enactment of better Laws, more efficient management on the part of Government, new Stamp Duties, and a great increase in the demand for Opium in China, have all contributed to improve the Revenues.

The principal heads of Revenue have been generally productive.

The Land Revenue, which stands first in importance, has materially increased*. In the permanently settled Districts, or Lower Provinces, of Bengal, it has been progressively augmented by the cultivation of Waste Lands and other causes. In the Western Provinces there has been a large increase. At Bombay the amount has fluctuated; but in consequence of new accessions of Territory in the earlier years, there has been a considerable increase of receipt. In the more recent years, both at Madras and at Bombay, defalcations of some magnitude have occurred, owing to depression in the price of Grain. But the deterioration has not equalled the increase, since 1814, in the resources of the Bengal Provinces.

There has been a large augmentation of the Revenue arising from the Salt and Opium Monopolies; and the Revenue from Customs, although, from a variety of causes, it has fluctuated, has exhibited in the later years a steady improvement.

2. Territorial Charges.

These Charges consist of those defrayed in India, and those paid by the Court of Directors at Home.

The

* LAND REVENUE.

	B E N G A L.		MADRAS.	BOMBAY.	TOTAL.
	Lower Provinces.	Western Provinces.†			
	£.	£.	£.	£.	£.
1814-15 -	3,320,817	3,590,835	3,790,224	472,074	11,173,950
1817-18 -	3,276,093	3,822,114	3,901,458	788,068	11,787,733
1820-21 -	3,373,385	4,198,303	3,781,601	1,794,240	13,147,529
1823-24 -	3,382,803	4,241,722	3,567,556	1,626,223	12,818,304
1826-27 -	3,408,917	4,350,853	3,700,773	1,894,604	13,355,147
1827-28 -	3,487,053	4,241,301	3,631,552	1,842,593	13,202,499
1828-29 -	3,479,128	4,093,909	3,669,409	1,625,886	12,868,332
1829-30 -	3,474,518	4,140,984	3,552,802	1,609,729	12,778,033

† This head in the Bengal Accounts does not include the receipts from the late acquisitions on the Nerbuddah and in the adjoining districts.

The Charges of the several Presidencies, and of the Subordinate Settlements, exclusive of those which were paid in England, during the 15 years ending 1828-9, were as follows :

	£.
Bengal - - - - -	167,747,449
Madras - - - - -	85,129,351
Bombay - - - - -	46,970,709
	299,847,509
Bencoolen, Prince of Wales Island, Singapore and Malacca - - - - -	2,893,792
St. Helena (net charge) - - - - -	1,576,370
	£. 304,317,671

Appendix, Nos. 7,
8 & 9, to No. 2.

The Gross Charges of the Indian Territory have augmented in a greater proportion than the Receipts. The Average Annual Deficiency, after defraying all Charges both abroad and at home, in the last five years of the Charter which terminated in 1814, was - - - £. 134,662

In the next five years, ending 1818-19, it was - - - 736,853

In the five years ending 1823-24 - - - 27,531

And in the five years ending 1828-29 - - - 2,878,031

Papers of February
1830, No. 2.

Appendix, No. 11,
to No. 2.

The Increase of Charge in the period from 1813-14 to 1818-19, was occasioned by the Military Expenditure incurred in the prosecution of the hostilities, commenced towards the end of 1814, against the Nepaulese, and in the subsequent operations against the Pindarrees and the Mahratta States.

The general peace which was secured by these operations enabled the Local Governments, during the four years ending in 1822-23 (the year preceding the Burmese War) to effect progressively an extensive reduction of Military Charge. But the large accession of Territory gained by the Company was attended with a material augmentation of the Civil Establishments; which, together with the increased amount of the annual Advances to the Manufacturers of Salt and Opium, occasioned a large addition to the Civil Charges of India.

Papers of February 1830, No. 2.

—	Amount of Military Charge.	Increase, as compared with 1813-14.
	£.	£.
1813-14	7,039,047	—
1814-15	7,892,099	853,052
1815-16	8,917,723	1,878,676
1817-18	9,279,598	2,240,551
1818-19	10,451,856	3,412,809

Amount of Military Charge in 1822-23	£. 8,405,771
Diminution, as compared with 1818-19	2,046,085
Increase, as compared with 1813-14	1,366,724
Amount of Civil Charge :	
1814-15 - - -	£. 6,072,763
1818-19 - - -	6,972,352
1821-22 - - -	8,105,420
1822-23 - - -	9,031,317

The Charge for Buildings and Fortifications amounted, in 1814-15, to 217,589*l.* In the subsequent years, to 1818-19, it progressively diminished: but in 1819-20, it increased to 270,085*l.*; in 1821-22, to 296,226*l.*; and in 1822-23, to 646,394*l.* The apparent large increase of the last year, however, is in a great measure only nominal, the whole of the Charges actually incurred for Buildings and Fortifications not having been separately shown in the Financial Statements received from the Presidencies for any of the previous years.

The greatest increase in the Gross Charges took place in the four years ending in 1827-28. The deficit of these four years constitutes two-thirds of the deficit for the whole period from 1814-15 to 1827-28. The total average increase of Charge in those four years, as compared with 1823-24, was 4,529,494*l.* Of this large increase, the part incurred in India was 3,827,158*l.*; and the part incurred in England was 702,336*l.* Of the part incurred in India, 1,108,251*l.* was an increase of Civil Charge; 2,695,749*l.*, an increase of Military Charge; and 23,158*l.* the increased

Evidence before
Lords, 1830, p. 10.

Interest on Debt*. The increase in the Civil Charges arose at the Presidencies of Bengal and Bombay, but principally at that of Bengal, under the following heads of Account: Embassies and Missions, including the Mission to Persia, and the payment of some Arrears of Subsidy; Provincial Battalions; the Ecclesiastical Establishment; the Contributions to Civil and Annuity Funds, to Schools and Charitable Institutions; and the Revenue and Judicial Establishments generally. The augmentation of Military Charge was caused by the Burmese War, the operations against Bhurtpore, and an increase in the number of King's and Company's Regiments in India. The augmentation of the Charge incurred at Home was caused by an increase of the Sums issued for Officers' Pay on Furlough and Retirement; by increased Expenses for King's Troops serving in India; and by an extraordinary increase in the quantity of Territorial Stores supplied to India.

Papers of February, 1830, and Continuation Papers, March 1831.

Indian Charges and Interest, of the Three Years 1811-12		£.
to 1813-14	- - -	45,303,996
St. Helena	- - -	260,100
Home Charges	- - -	3,935,995
Total	- - -	£49,500,091
Average	- - -	£16,500,030

The Average Annual Amount of the Gross Charges of the Indian Territory, in the last three years of the former Charter, was 16,500,030*l.* In the three years ending in 1827-28, it was 25,902,817*l.*

The proportions of this Increase applicable to the Civil and Military Departments respectively, to the manufacture of Salt and Opium, to the Interest of Debt, and to the Expenditure incurred in England, are as follows:

	AVERAGE of Three Years, ended 1813-14.	AVERAGE of Three Years, ended 1827-28.	INCREASE.
	£.	£.	£.
Civil, Revenue, Judicial and Marine, including Ceded and Conquered Countries, and Supplies to Bencoolen and St. Helena	5,804,369	8,305,065	2,500,696
Advances for Salt and Opium, and Charges	708,660	1,291,434	582,774
Military	6,954,674	11,731,092	4,776,418
Buildings and Fortifications	224,864	724,291	499,427
Interest on Debt	1,495,460	1,748,513	253,053
Political Charges in England	1,311,998	2,102,422	790,424
£.	16,500,025	25,902,817	9,402,792
The Average Annual Charge of Ceded and Conquered Countries, during the same periods, was	2,160,723	3,276,356	1,115,633

The following Statement will show the proportions of Charge for the three Presidencies, including the Ceded and Conquered Countries, in each of the Departments comprised in the first head of the above Account, for the year 1827-28.

Land Revenue, Sayer and Abkaree, 3,817,551 *l.*; Customs, 220,123 *l.*; Stamps, 91,126 *l.*; Mint, 62,032 *l.*; Post-office, 137,262 *l.*; Civil Establishments, &c. 1,911,123 *l.*; Judicial, 1,786,257 *l.*; Marine, 349,389 *l.*; Total, 8,374,863 *l.* The Interest on Debt was 1,920,532 *l.*

After

* The Evidence from which these Statements are drawn was delivered before the last series of adjusted Accounts had been prepared. The sums here inserted represent, therefore, an approximative, rather than the actual, proportions of Charge.

After Peace had been concluded with the Burmese, the Court of Directors issued positive orders for the immediate reduction of Expenditure in India. The financial result of 1823-24 was referred to for the purpose of comparison, and the Charges of that period were assumed as the standard to which the existing Charges were to be reduced. The great improvement that had taken place in the financial results of the three preceding years (exhibiting an average surplus of 728,196*l.*) arose chiefly from causes of an extraordinary nature. For the year 1823-24 the Accounts exhibited a deficiency of 860,862*l.*; but this was occasioned by an extraordinary payment of 1,201,201*l.* to the Nizam, in redemption of an annual peishcush or tribute of 72,072*l.* The Revenue of the year was of fair average amount, and the charges had been so little affected by the commencement of the Burmese war, that they might be considered as those of a year of peace.

Letter in Territorial Finance Department, 12 Dec. 1827, Parliamentary Paper, No. 199, 1830.

Papers of February, 1830, No. 2.

Extraordinary Payment	£. 1,201,201
Actual Deficit	- - - 860,862
Surplus in 1823-4, over Ordinary Charges	} £. 340,339

In the orders that were issued, a Statement was drawn out, showing that, according to the standard of 1823-24, an immediate reduction upon the Indian Expenditure, as estimated for 1826-27, to the extent of 2,924,155*l.*, would be necessary. The difficulty of carrying these reductions into effect was considered to be outweighed by the embarrassments which an excessive Expenditure must occasion. The financial character and condition of the Bombay Presidency were pointed out as peculiarly calling for improvement.

Rupees 2,55,50,275

Bengal, £. 1,423,640

Madras 434,858

Bombay, 1,065,657

These orders, although extensively acted upon, have not yet been fully carried into effect. It has been recently shown by the Accountant-General of Bengal, that on a comparison with the Expenditure of 1829-30, a further reduction of 80,73,063 rupees, or, at the Board's rates, about 919,290*l.* remains to be effected.

See Appendix, No. 5.

Of this excess the proportion belonging to the respective Presidencies is as follows: The Charges of Bengal were lower than in 1823-24 by 103,644*l.*; the Interest on Debt was higher by 314,537*l.* The Charges of Madras were higher than in 1823-24 by 251,891*l.*; the Interest higher by 49,406*l.* The Charges of Bombay were higher by 402,319*l.*; the Interest higher by 4,781*l.* The reduction, therefore, requisite at each Presidency, supposing reduction to be practicable according to the scale of their respective Establishments in 1823-24, would be, in Bengal, 210,893*l.*; at Madras, 301,297*l.*, and at Bombay, 407,100*l.*

On a comparison of the Expenditure of 1829-30 with the estimated Expenditure of future years, it has been computed that, when all the reductions now ordered and in progress shall be carried into full effect, the sum of 80,73,063 rupees, or 919,290*l.* above shown, may be diminished by about 25,80,000 Rupees, or 287,170*l.*, leaving an extent of reduction to be still effected, in order to fulfil the orders of the Court of Directors, amounting to 54,93,063 Rupees, or 632,120*l.*

Appendix, No. 6.

The causes which have led to the increase of Charge are characterized by the Court of Directors in the following terms:

"We have contemplated with much solicitude the present very unsatisfactory state of your Finances, and we have carefully and minutely examined the causes which have led to it. We observe that it has been brought about, less by the pressure of occasional and extraordinary Expenditure, than by continual progressive augmentations of Charge in every Department, which, viewed separately, may have appeared, at the times they were made, to have been justifiable; but which, taken in the aggregate, have occasioned a large excess of Disbursement beyond the

Territorial Finance Letter to Bengal, 19 May 1830. Lords' Paper, 151 of 1830.

resources from which alone such Charges ought to be defrayed. The great amount of that excess has absorbed every accession or improvement of Revenue, however considerable, has increased your Debt, and has left you burthened with a heavy deficit."

Two Finance Committees, one Civil and one Military, were appointed in 1828, by the Supreme Government in India, to revise the Expenditure and Establishments of the Three Presidencies.

See Instructions and Reports of Civil Finance Committee, General Appendix.

The Civil Finance Committee were directed to inquire into the Civil Establishments in the General, Judicial, Revenue, and Marine Departments. With some few limitations, they were left free to push their inquiries to the utmost extent to which they might consider it necessary or expedient to carry them.

The Military Finance Committee were, upon similar principles, and with few exceptions, directed to embrace in their inquiries all matters connected with Military Finance.

Evidence before Lords, p. 525, 5701, of 1830.
5697, of 1830.

Considerable reduction of Charge was effected in consequence of these inquiries; and in addition to the Military retrenchments made in India, the Court of Directors issued Instructions for a specific reduction of the Army. The whole of the Military reductions, it is estimated, will produce their full effect in the year 1832-33; and it has been stated that the Army will then not only be reduced below the Peace Establishment prior to the Burmese War, but will not much exceed its strength in 1813, before the Nepaul War, notwithstanding the extension of Territory that has taken place since that period. Considerable reductions of Civil Expenditure were also ordered by the Court.

Appendix, No. 7.

A Statement will be found in the Appendix, showing, in detail, what are the reductions of Indian Allowances and Establishments (Civil, Marine, and Military,) ordered by the Court and the several Local Governments, since the close of the year 1827-28, distinguishing, as far as can be done, such as were to have immediate, from those which it was intended should have only prospective, effect; and a further Statement, showing the estimated effect of those measures of reduction which have been recommended by the late Civil Finance Committee, whether of those adopted, or of those which have been rejected, or are still under consideration.

57 to 71. 303 to 305, of 1832.

In reference to the future Charges in India, it has been observed, that hitherto the Expense incurred in putting down internal Insurrection has been small, and that the chance of War seems to be greatly diminished. Formerly the British Territory was so distributed that it surrounded, and was surrounded by, a hostile country: now there is no enemy, properly so called, within the whole Peninsula of India.

On the other hand, it is to be considered that the reductions which have been ordered are computed according to a scale of expenditure adapted only to a state of peace, both with European and Indian Powers.

The Territorial Charges in England:

These consist of Payments made on account of Passage of Military, Pay to Officers, including Off-reckonings, Political Freight and Demurrage, Pay-Office demands for King's Troops serving in India, Retiring Pay, Pensions, &c. to King's Troops, Political Charges General, (including the Political Charge for the Establishments at the India House, the Board of Control, Haileybury, Addiscombe, Chatham, &c.;) Miscellaneous Expenses on Account of Prince of Wales Island, Singapore, &c.; Charges of the Tanjore Commission,

Commission, Absentee Allowance, &c. to Civil Service, Territorial Stores, and Charge of St. Helena.

Conflicting Evidence has been given as to the possibility of effecting material reductions in these Charges, and of transferring them to India. Upon an annual average of 15 years they have been shown to amount to 1,693,472*l.* In 1828-29 they amounted (including a Payment to Persia) to 2,080,459*l.*; in 1829-30, to 1,837,110*l.*; in 1830-31, to 1,553,599*l.* They are estimated for the future at 1,730,000*l.*

Other Payments on account of India to a considerable amount are made by the Home Treasury, which do not constitute an additional charge upon the Revenues, a corresponding charge being brought to account in India. These consist of Bills of Exchange drawn upon the Court in discharge of the Interest, and occasionally of the Principal, of Debt in India, and on account of the Effects of deceased Officers, which are remitted from India; Advances to Retiring and Compassionate Funds for the various Branches of the Service, which are repaid by the Funds in India, &c.

The whole of the Interest upon the Territorial Debt, and upon the Debt due to the Creditors of the late Nabobs of the Carnatic, whether paid in this Country or in India, is brought to account in India.

In 1827-28 the portion of Interest upon Territorial Debt	£.	Papers of February, 1830, No. 21.
which was paid in this Country, was	- - - 522,438	
In 1828-29	- - - 640,570	Parliamentary Paper, 1832, No. 518.

It has since risen to 904,761*l.*; but in consequence of measures adopted to limit the demand on England, is estimated to be reduced to about 700,000*l.*

Nearly the whole of the Interest upon the Carnatic Debt is demanded in this country. This arises from the Interest having been made remittable to this country at an exchange of 8*s.* the Pagoda.

In 1827-28, the amount was	- - - £. 113,482	Papers of February, 1830, No. 21.
In 1828-29	- - - 89,771	

During the whole period from 1814-15 to 1828-29, the amount of Bills of Exchange paid for Interest of India Debt, was 9,563,315*l.*, or on the average 637,554*l.* per annum; and the amount of Bills paid for Principal, was 4,891,593*l.*, or on the average 326,106*l.* per annum. The amount of Advances to various Funds, paid in 1828-29, was 153,855*l.* The remittances of Effects of deceased Persons were, in the same year, 60,109*l.*

Certain receipts into the Home Treasury, of a Political character, have from time to time been applied to the discharge of the Bills of Exchange above-mentioned. These consist of Bullion remitted from India, Receipts from His Majesty's Government on various accounts, &c.

In the 15 years these Receipts amounted to 7,216,331*l.*, or on the average 481,088*l.*

Army and Navy.

The expenses of the King's Regiments serving in India, which are defrayed in this Country, are repaid to His Majesty's Government by the East India Company, and constitute part of the "Territorial Charges in England" above adverted to. The number of King's Troops in India to be charged upon the Territorial Revenues is however limited to 20,000 men, unless, upon the requisition of the Court of Directors, that number is augmented. An additional sum of 60,000*l.* per annum is also paid to the Public by the Company on account of the Half-pay and Pensions of such of His Majesty's Troops as have served in India. The

Appendix to Lords' Evidence, 1830, p. 524.

Evidence before Lords, 1830, p. 11. Coms. 184, 1154, 1438, 1962, of 1832. Appendix, No. 22. & B. 2, of No. 23.

Commercial Series, No. 9.

Papers of February, 1830, No. 21.

Parliamentary Paper, 1832, No. 518.

Evidence before Lords, 1830, p. 27.

Papers of February, 1830, No. 21.

Papers of February, 1830, No. 21.

Commercial Series, No. 9.

Papers of February, 1830, No. 21.

See Military Appendix.

53 Geo. 3, c. 155, s. 87.

4 Geo. 4, c. 71.

7 Geo. 4, c. 52.

expense of the King's Naval Force employed in the Indian Seas is paid by the Public; but if it is augmented upon the requisition of the Court of Directors, the expense of such augmentation is chargeable upon the Territorial Revenues.

Financial Transactions with the Public.

6 Anne, c. 17.

17 Geo. 2, c. 17.

23 Geo. 2, c. 22.

The new East India Company, established under the authority of the 10 Will. 3, advanced to Government, at the time of their incorporation, the sum of 2,000,000*l.*, at eight per cent. interest. In 1708, the Joint Company lent a further sum of 1,200,000*l.*, without interest. In 1744, the Company agreed to lend 1,000,000*l.* at three per cent. to Government, on their exclusive trade being continued to 1783. In 1749, the Company were empowered to raise money, towards the discharge of their Bond Debt, by the sale of Annuities to the amount of the Debt due from the Public to the Company. The sum of 2,992,440*l.* 5*s.* was accordingly sold. This sum, together with 1,207,559*l.* 15*s.*, being the residue of the Debt of 4,200,000*l.*, was, by the 33 Geo. 3, c. 47, placed under the management of the Bank, and engrafted upon the Three per Cent. Reduced Annuities.

By the 7th section of this Act it is provided, that, if the Company shall retain their share of the Annuities, or any part thereof, until their exclusive trade be determined by the authority of Parliament, the amount so retained shall be paid off at par. The amount retained by the Company is 1,207,559*l.* 15*s.*, which, accordingly, they are entitled to receive at the close of the present arrangement. Interest is now paid by the Public upon this amount.

3 Geo. 4, c. 93.
Appx. No. 8.

The Account between the Public and the Company, finally adjusted in the year 1822, had no reference to the above-mentioned Annuities. At that time the demand of the Company on the Public, arising out of various expeditions undertaken against the French and Dutch Islands, the Cape of Good Hope, &c. together with supplies to the King's Service in India, amounted, without Interest, to 11,277,828*l.* The credit claimed by Government was 9,291,940*l.*, also without Interest. After some discussion, it was agreed to close the Accounts by a payment of 1,300,000*l.* from the Public to the Company. This sum was applied in part discharge of the Loan of 2,500,000*l.* made by the Public to the Company in 1812. The Loan, however, had no other connexion with the Account between the Public and the Company which is now the subject of remark. The sum of 557,322*l.*, necessary to redeem the remainder of that Loan, was paid by the Company; and an Act was passed, discharging them of all future claims in any way relating to it.

As the Debts of the Company have never been reduced to the prescribed limit, no payment has been made into the receipt of the Exchequer under the 59th section of the Act of 1813. On the other hand, no application has been made to the Public, since that year, for pecuniary assistance.

3. Territorial Deficit.

Appendix, No. 11.
to No. 2.

In consequence of the large Surplus of Revenue which has been realized in Bengal, there has been, for the fifteen years ending in 1828-29, notwithstanding the deficit at the other two Presidencies, a Surplus of Revenue over such Charges as are brought to account in India, amounting to 604,281*l.* for the yearly average, or 9,064,228*l.** for the whole period; but this is exclusive of the Expenses of the Subordinate Settlements, and of all the Home Charges. In

Appendix, No. 2.	
Total Revenue -	£. 309,151,920
Total Charge -	300,087,692
	£. 9,064,228

* Territorial Series, Introductory Statement.

In Bengal the Surplus has amounted to an annual average of 1,891,635*l.*, or, for the whole period, to 28,374,534*l.*

At Madras the Deficit has amounted to an annual average of 205,758*l.*, or, for the whole period, to 3,086,384*l.*

At Bombay the Deficit has amounted to an annual average of 1,081,595*l.*, or, for the whole period, to 16,223,922*l.*

Total Revenue	-	£. 196,121,983
Total Charge	-	167,747,449
(Appendix, No. 7 to No. 2.)	-	£. 28,374,534
Total Revenue	-	£. 82,042,967
Total Charge	-	85,129,351
(Appendix, No. 8 to No. 2.)	-	£. 3,086,384
Total Revenue	-	£. 30,986,970
Total Charge	-	47,210,892
(Appendix, No. 9 to No. 2.)	-	£. 16,223,922

The Treasuries of Bombay and Madras have been supplied by Remittances from the Bengal Treasuries. The amount of these Supplies is stated in the Books of the three Presidencies, as follows:

Bengal: Net Supplies to Bombay and Madras	-	-	£.	20,626,883	Territorial Series, No. 7, A, B, & C.
Bombay: Net Supplies received	-	-	£. 18,007,659		
Madras: Net Supplies received	-	-	2,197,429		
				20,205,088	

Unadjusted differences in the Books of the three Presidencies £. 421,795

The Accounts for the Subordinate Settlements exhibit a deficiency of Revenue to meet the Charges.

At Bencoolen, Prince of Wales Island, Singapore, and Malacca, there was a deficiency on the annual average of 138,152*l.*, or, for the whole period, of 2,072,287*l.*

At St. Helena, the deficiency has been, on the annual average, 105,091*l.*, and, for the whole period, 1,576,370*l.*

The Territorial Payments in England (exclusive of those entered under the head of St. Helena) chargeable upon the Revenues of India have been, on the annual average, 1,588,381*l.*; and, for the whole period, 23,825,712*l.*

Territorial Payments	£. 16,509,118
Political Stores	- 7,316,594
(Appendix, No. 10 to No. 2.)	- } £. 23,825,712

From the foregoing Statements it appears that, upon a comparison of the ordinary Revenues and Charges, there has been a Deficit, amounting, on the annual average, to 1,227,343*l.*; for the whole period, to 18,410,141*l.*

Net Supplies to Bencoolen, &c.	£. 2,072,287
Net Charge of St. Helena	- 1,576,370
Territorial Payments in England	- 23,825,712
	27,474,369
Deduct, Surplus Revenue in India	9,064,228
(Appendix, No. 11 to No. 2.)	£. 18,410,141

It appears that there have been other outgoings of an extraordinary nature, which are stated as follows:

Miscellaneous outgoings not included in Charges, chiefly arising from the difference in the Rates of Exchange at which Bills for Principal and Interest of India Debt were actually drawn, and those realized in England by Treasure and other remittances effected for their discharge	-	-	-	-	-	£.	Appendix, No. 5 to No. 2.
Repayment to the Public: Loan of 1812	-	-	-	-	-	993,903	Ditto, No. 2 to No. 2.
Unadjusted Debits and Credits between the Presidencies	-	-	-	-	421,795	3,017,172	Territorial Series, Introductory Statement.
Ditto - between the several Treasuries subordinate to Madras	-	-	-	-	289,968		
						711,763	

Carried forward - - £. 4,722,838

REPORT FROM SELECT COMMITTEE

	Brought forward - - £.	4,722,838
Commercial Series, No. 11.	Bills for Interest of India Debt, drawn antecedently, but paid subsequently, to the commencement of the Company's present Term - - - - - £.	1,396,913
Ditto.	Deduct Bullion per Stirling Castle, shipped antecedently, and arrived in England subsequently, to the commencement of the Company's present Term - - -	324,015
		1,072,898
Ditto.	Deduct, Bills not due on the 30th April 1829, and not therefore included in the Account between the two Branches -	5,795,736
		1,152,966
		4,642,770
	To which add the Deficiency above stated - -	18,410,141
	Total Deficit - - - £.	23,052,911

The extraordinary resources, by the aid of which this Deficiency has been supplied, are stated to be as follows:

Territorial Series, No. 6.	Money received on Loan in India - - - -	17,289,864
Commercial Series, No. 3.	Surplus Profits applied to the Payment of Bills of Ex- change for Principal of India Debt - - -	2,256,182
Ditto, No. 7.	Advances by Commerce to Territory in England, as directed by 53 Geo. 3, more than was repaid in India, forming a Debt due by Territory to Commerce -	3,036,578
Ditto, No. 10.	Short Credit by Commerce to Territory in India, as explained in No. 10, Commercial Series - -	129,919
Ditto, No. 11.	Balance due from His Majesty's Government at the commencement of the present Charter, set off in Account Current between the Company and the Crown - - - - -	2,112,113
		24,824,656
	Deduct the Total Deficiency above stated - - -	23,052,911
	Excess of Extraordinary Resources - - - £.	1,771,745

The above excess has occasioned an increase of Cash in the Indian Treasuries, viz.

Territorial Series, No. 7. D.	Cash Balance in India, 30 April 1814 £. 5,548,476	
	Ditto - - - - 30 April 1829 - 7,320,221	
	Increase of Cash Balance - -	1,771,745

From this Statement it may be seen that of the Territorial Deficiency of 18,410,141 l., and the Miscellaneous Outgoings of 993,903 l. (making together 19,404,044 l.), there has been raised by borrowing, 14,642,431 l. * ;
and

* Money raised on Loans and Deposits in India, including £. 2,666,839 Surplus Profit	£.	17,289,864
Deduct Surplus Profits made available in India - - - -		2,666,839
		14,623,025
Borrowed from the Commercial Branch - - - -		3,036,578
		17,659,603
Loan of 1812 paid off - - - -		3,017,172
Money raised by borrowing, or difference between Debt incurred and paid off } £.		14,642,431
Carried forward - -		

and by the direct application of Surplus Commercial Profits, 4,923,021 *l.* making in the whole 19,565,452 *l.*, and leaving an increase of Territorial Assets of the amount of 161,408 *l.*

Commercial Series,
No. 3.

Of the deficiency, therefore, for the whole period, about one-fourth has been directly supplied by Commercial Profits, and nearly three-fourths by Money Borrowed. On the annual average, the Money raised by Borrowing has been 976,162 *l.*; and by direct application of Surplus Commercial Profits, 328,201 *l.*

4. Territorial Debts.

These consist—1st. Of the Debts in India; 2d. Of the Debts in England.

1st. Territorial Debts in India.

The amount of the Debt in India was as follows, in the years 1792, 1809, 1814, and 1829, respectively:

	Debt at Interest.	Floating Debt.	Total.	
	£.	£.	£.	
On 30th April 1792 - - -	7,129,934	2,012,786	9,142,720	{ 2d Report, 1810, Appendix, No. 7. Papers of February, 1830, No. 3. Appendix, Nos. 17 & 18.
— 1809 - - -	27,089,831	3,722,610	30,812,441	
— 1814 - - -	26,970,786	3,948,834	30,919,620	
— 1829 - - -	39,377,880	7,877,494	47,255,374	
The increase of Debt in 1829, as compared with 1792, was therefore - - -	32,247,946	5,864,708	38,112,654	
As compared with 1814, the increase was - - -	12,407,094	3,928,660	*16,335,754	

Explanations have been offered as to the general character of the Debt in India, and the principal changes by which of late it has been affected; and

	£.
Brought forward - - -	14,642,431
Surplus Commercial Profit - - -	4,923,021
	19,565,452
Expenditure - - -	19,404,044
Increase of Assets (as explained below) - - -	£. 161,408
Due from Government in 1814 - - -	£. 2,112,113
Short Debit to Commerce in India - - -	129,919
Bullion per Stirling Castle - - -	324,015
	2,566,047
Bills drawn before 1814 - - -	1,396,913
Bills not due 30th April 1829 - - -	1,152,966
	243,947
Increase of Cash and difference between the Presidencies, - - -	2,483,508
	2,727,145
Increase of Assets - - -	£. 161,408

* This Sum comprises the Amount of Debt of every description which was incurred on account of the Territorial Branch in India during the period above stated, and consequently differs from the Sums mentioned in Page 39 as the Amount of Debt incurred, the latter being solely confined to the Debts on account of which Cash was actually received into the Company's Treasuries.

Appendix, No. 9.

and a Statement is inserted in the Appendix, showing the Amounts of the various descriptions of the Debt of India, with the Rates of Interest they respectively bear, and also the Dates at which each denomination will be liable to be paid off.

It appears that the Territorial Debt owing by the East India Company, at their several Presidencies in India, consists of two descriptions; viz. 1. The Debt at Interest, which is principally composed of Registered Debt, or Sums which have been raised on Loans, and of Treasury Notes; and, 2. The Floating Debt, or Debt not at Interest, consisting, for the greater part, of Arrears of Salaries and Allowances due to Civil Officers, of Pay due to the Military, and of Deposits.

Appendix, No. 19,
p. 265.

That part of the Debt at Interest which is termed the "Registered Debt," consists of Sums raised from time to time on Loan at Interest, and secured by Bonds granted to the Creditors by the Governor General in Council, (numbered and repayable by a fixed rule regulated by the order in which they are registered,) wherein the amount borrowed is declared to be a Loan to the East India Company, and an engagement is given, for and in behalf of the Company, to discharge the Sum under certain conditions. None of those conditions, however, give to the Creditors any direct claim on the Territorial Revenues of India for the repayment of the Sums thus advanced by them. The first creation of the Registered Debt does not appear to have been directly authorized by the Charter of the East India Company, or by Act of Parliament; but subsequent Enactments of the Legislature have fully recognised it, and in a manner which it is supposed has given to the Creditors a claim on the Territorial Revenues of India for repayment of the Money advanced by them to the Company.

The Amount which the Promissory Note engages to repay has, with few exceptions, been the same with that actually received by the Government.

3d Report, 1811,
p. 372.

Before the year 1808, a large portion of the Principal of the Registered Debt, bearing interest at the rate of 10 and 8 per cent. per annum, was payable, at the option of the Proprietors, in Cash in India, or by Bills on England. In consequence of orders from the Court of Directors, the Bengal Government, in the course of the years 1808 to 1810, effected a change in this Debt, by which none of the Principal could any longer be demanded in England; and the Interest, although remaining as before payable in India, or by Bills on the Court at 2s. 6d. the Sicca Rupee, was reduced to 6 per cent. Transfers of upwards of Thirteen Millions sterling were made, under the terms offered by the Government, into the New 6 per Cent. Securities; 3,365,000 l. was demanded in Cash of the Local Governments; and 6,502,000 l. in Bills on the Court. It was for the purpose of meeting this demand upon the Home Treasury that the Company borrowed money from the Public in the years 1810 and 1812.

1810, £.1,500,000
1812 - 2,500,000

Appendix, No. 10.

In 1812, under the terms of a New 6 per Cent. Loan, the option of demanding Payment of the Principal by Bills on England was partially restored. The Interest remained payable as before; so that, as respected Interest, the whole of the Proprietors of the Registered Debt of India, down to the year 1821, possessed the privilege of demanding the Payment of their Interest, either in Cash in India, or by Bills on the Court of Directors at the exchange of 2s. 6d. the Rupee. The great Reduction
which

which occurred in 1820-21, in the Mercantile Rate of Exchange*, for Bills drawn in India on this country, rendered it highly advantageous to the Loan Proprietors to avail themselves of this privilege, and require Payment of their Interest by Bills † on the Court.

In order to obviate the loss and the inconvenience to the Home Treasury arising from this cause, the Bengal Government effected, in 1821, a transfer of a large portion of this Debt into a 6 per Cent. Loan, the Principal and Interest of which were payable in India alone.

Appendix, No. 11.

In 1822, the Government again effected a material alteration in that portion of the Registered Debt the Principal of which was payable by Bills on the Court. The Principal was made irredeemable during the present term. After that period, and upon 15 months previous notice, the Loan may be discharged in Cash, or in Bills upon the Court at 2s. 6d. the Sicca Rupee, and 12 months date. The Interest was made payable in England, only to such of the Proprietors as should be resident in Europe; and the rate of Remittance was reduced to 2s. 1d. the Sicca Rupee. The sum of 3,240,463 l. was demanded on this occasion in Bills upon the Court, of which, however, 245,653 l. was afterwards reinvested. The amount transferred into the New 6 per Cent. Securities was 8,666,615 l.

Appendix, No. 12.

Territorial Series,
No. 4.

These several measures have had the effect of converting the Registered Debt of India into what is now generally distinguished by the appellation of the "Remittable" and the "Non-remittable" Debt.

The Remittable Debt now solely consists of the Loan of 1822.

In respect to the Non-remittable Debt: In 1823, the Interest upon a large portion of the 6 per Cent. Debt, which in 1821 was deprived of the optional remittance of its Interest, was reduced to 5 per cent. Of the Loan of 1821, 10,638,000 l. was converted into New 5 per Cent. Debt, and the remainder, above 4,640,000 l., was paid off in Cash. The Creditors resident in Europe were allowed, during the pleasure of the Court of Directors, the option of receiving their Interest by Bills on the Home Treasury, at the exchange of 2s. 1d. the rupee.

Evidence before
Lords, 1830, pages
13 & 27.Evidence before the
Lords, 1830, pages
27 & 28.

In September 1824, a 4 per cent. Non-remittable Loan was opened; but in May 1825, a Loan at 5 per cent. Interest was opened, to which the Proprietors of the 4 per cent. Loan were allowed to transfer their Paper, on condition of an equal amount being subscribed in Cash; and nearly the whole of the 4 per cent. Debt was so transferred. In July 1828 a new 4 per cent. Non-remittable Loan was opened; but a small sum only was subscribed to it.

Appendix, Nos. 13
& 14.

Appendix, No. 15.

The Remittable Loan Paper has borne a premium in the India market, varying from 23 to 40 per cent. By the last advices it was 38 per cent. The Non-remittable Loan Paper has usually varied from a few rupees above to a few below par. It has latterly been at a premium varying, according to the order in which the securities might be discharged, from 6 to 1 ½ per cent.

Importance

* Bills on London, at six Months sight, per Sicca Rupee:

1813, at 2/6 and 2/7.	1818, at 2/7 ½.	1822, at 1/11 ½.	1826, at 1/11.
1814, at 2/7 and 2/9.	1819, at 2/6.	1823, at 1/10 ½.	1827, at 1/10 ½.
1815, at 2/8.	1820, at 2/3.	1824, at 1/11.	1828, at 1/10 ½.
1816, at 2/7.	1821, at 2/0.	1825, at 2/0.	1829, at 1/10 ½.
1817, at 2/6 ½.			

† Paid by the Court on account of Bills for Interest of India Debt in	1819-20	- £. 355,514
	1820-21	- 678,988
	1821-22	- 1,562,522
	1822-23	- 1,419,587
	1823-24	- 620,132
	1828-29	- 640,570

Papers of February
1830, No. 21.

Appendix, No. 16.

Importance has been attached, on various grounds, and especially with regard to the demand for interest in England, to the proportion in which the Debt of India is held by Natives. From a Report of the Accountant-General of Bengal, dated 23d May 1831, it would seem, that of the Registered Debt of India, amounting at that time to 30,774,092 *l.*, a sum of 7,860,102 *l.* was held by Natives, and 22,913,990 *l.* by Europeans.

Papers of February 1830, No. 4.

In the earlier years of the period since 1814, a large increase of the India Debt at Interest was incurred. This was occasioned chiefly by the extensive Military operations which were directed against the Nepaulese, the Pindarrees, and the Mahratta States. After the cessation of these hostilities, reductions were made in the Debt for several successive years.

Increase of Debt at Interest	£. 6,799,522
Ditto - Floating Debt	- 2,141,181
	£. 8,940,703

The total augmentation of Debt in the six years, from 1814-15 to 1819-20, amounted to 8,940,703 *l.*

Papers of February 1830, No. 1, (A).

In the year 1816, a sum of 1,109,975 *l.* which had been procured from the Nabob of Oude in the preceding year, on Loan at 6 per cent. interest, was commuted for a portion of the Territory acquired from the Nepaul State.

Papers of Feb. 1830, No. 4, and continuations and Lords' Paper, No. 50, of 1832.	
Reduction of Debt at Interest	£. 7,333,486
Augmentation of Floating Debt	2,039,129

The net reduction of Debt which was effected in the years 1820-21 to 1823-24, amounted to 5,294,357 *l.*

	£. 5,294,357
Increase of Debt at Interest	£. 13,137,879
Decrease of Floating Debt	- 130,056
	£. 13,007,823

The large and unprecedented Expenditure which was incurred in the prosecution of the War with the Burman Empire, and the reduction of the Fortress of Bhurtpore, occasioned a rapid increase in the Registered Debt of Bengal from the year 1824-25 to 1827-28. In this period, the net increase of Debt was 13,007,823 *l.*

Decrease of Registered Debt	- £. 278,422
Increase of Floating Debt	- 499,117
	£. 220,695

In the subsequent year, 1828-29, the net increase of Debt was 220,695 *l.*

2d. Territorial Debts in England.

Appendix, No. 17.	These Debts consisted, on the 1st May 1814, of		
	Bills of Exchange, drawn on the Court in liquidation of the Principal and Interest of India Debt, unpaid	£.	£.
	Balance due to the Public on account of Loan of 1812, including Interest	1,396,914	
	Warrants passed the Court, unpaid	2,294,123	
		9,000	

Total Debts in England, 1st May 1814 - £. 3,700,037

On the 1st May 1829, they consisted of

Appendix, No. 18.	Bills of Exchange, drawn on the Court in liquidation of the Principal and Interest of India Debt, unpaid	£.	
	Balance due to His Majesty's Government on account of Pay-Office demands, &c.	1,152,966	
	Balance due on account of Territorial Stores provided for consignment to India	630,605	
	Unclaimed Prize Money applicable to Lord Clive's Fund, under Act 1st & 2d Geo. 4	54,711	
	Balance due to the Commercial Branch, including Interest	68,287	
	Warrants passed the Court, unpaid	4,631,906	
		78,646	

Total Debts in England, 1st May 1829, subject to considerable adjustment in respect to the Balance due to the Commercial Branch - £. 6,617,121

Increase of Territorial Debt at Home in 1829 - £. 2,917,084

5. Territorial Assets.

The Territorial Assets Abroad consisted,

On the 1st May 1814, of	£.	£.	£.
Cash and Bills - - - - -	5,802,703		
Stores, including Salt and Opium - - - - -	4,193,514		
Debts, including arrears of Revenue and Balances due from Purchasers of Salt and Opium - - - - -	2,821,998		
		12,818,215*	

Appendix, No. 17.

On the 1st May 1829, they consisted of

Cash and Bills - - - - -	7,367,296
Advances made in England to several Public Institutions, to be repaid in India - - - - -	87,429
Stores, including Salt and Opium - - - - -	6,922,217
Debts, including arrears of Revenue and Balances due from Purchasers of Salt and Opium - - - - -	8,748,064

Appendix, No. 18.

23,125,006

Increase in Territorial Assets Abroad in 1829 - - £. 10,306,791

The Territorial Assets at Home consisted,

On the 1st May 1814, of

Balance due from His Majesty's Government on account of Expeditions, &c. - - - - -	3,178,215
Stores consigned to Prince of Wales Island - - - - -	31,244
Treasure from Madras - - - - -	280,000
Dead Stock in India - - - - -	400,000

Appendix, No. 17.

3,889,459

On the 1st May 1829, they consisted of

Cash in hands of Officers at the India House - - - - -	3,670
Stores for consignment, &c. to India - - - - -	473,556
Advances to Individuals in India, to be repaid in England - - - - -	26,149
Balance due from His Majesty's Government for Supplies furnished in India and at the Cape of Good Hope - - - - -	98,432
Carnatic Stock belonging to the Company - - - - -	34,037
Value of College at Haileybury, and of Seminary at Addiscombe - - - - -	177,220
Dead Stock in India - - - - -	400,000

Appendix, No. 18.

1,213,064

Decrease in Territorial Assets at Home in 1829 - £. 2,676,395

Net Improvement in Territorial Assets Abroad and at Home in 1829 - } £. 7,630,396

6. Result

* Amount of Assets in 1814 - - - - -	£.	15,212,135
Deduct, Old Balance claimed of Government, written off - - - - -	£. 960,000	
Balance due from Nabob of Arcot and Rajah of Tanjore, previous to the acquisition of their Territory, written off - - - - -	1,433,920	
		2,393,920
	£.	12,818,215

6. *Result of Territorial Debts and Assets.*

The Increase of Debt in India in 1829, as compared with 1814, has already been shown to amount to	£.	16,335,754	£.
And the Increase of Debt at Home, in the same period, but subject to considerable adjustment as above stated, to	- - - - -	2,917,084	
Making the Total Increase of Debt in 1829	- - -	£.	19,252,838
The Increase of Assets in India in 1829, as compared with 1814, is shown to have amounted to	- - -	10,306,791	
And the Decrease of Assets at Home, in the same period, to	- - - - -	2,676,395	
Leaving the Net Increase of Assets in 1829 at	- - -	£.	7,630,396
The Balance of the Territorial Branch therefore is more unfavourable in 1829, in this view, by	- - -		11,622,442
And if to that Amount is added the sum of 4,923,021 l., which was directly applied during the period to the liquidation of India Debt from Surplus Commercial Profits, and without which aid the Balance of the Territorial Branch would have been, to that extent, more unfavourable	- - - - -		4,923,021
The Deterioration would amount to	- - -	£.	16,545,463

Appx. Nos. 17 & 18.

3d Report (1811),
Appx. No. 25.
Papers of February
1830. Nos. 18 & 19.

It may be proper here to refer to the valuation of what is termed the Company's Dead Stock in India, an estimate of which is usually added to the Accounts periodically prepared of their "Stock per Computation." These Estimates embrace a head of Buildings and Fortifications, and another of Plate, Household Furniture, Plantations, Vessels, Stores, &c. which last includes Guns on the Ramparts, Arms, and other articles of Military Service. The Amounts inserted under each head are very large, but as the greater part represent rather the Sums expended upon the Articles than their actual value, which expenditure has been already for the most part charged upon the Revenues, it may be sufficient in this place to notice, that Property of the above description exists in India, belonging chiefly to the Territorial, and partly to the Commercial Branch, which is not included in the "Assets," the computed value of which has just been shown.

II.—THE CONNEXION OF THE TERRITORIAL FINANCES WITH THE COMMERCE OF THE EAST INDIA COMPANY.

THE Finances of India have derived advantage from their existing connexion with the Commerce of the Company, 1st, Through the direct application of Surplus Commercial Profit; 2d, By the Rates of Exchange at which the Board of Control decided that the Territorial Advances from Commerce in England should be repaid to Commerce in India; and, 3dly, In consequence, as it is alleged, of the Remittances from India, annually required for the payment of those Territorial Charges which are defrayed in England, having been made through the Company's Commerce.

1. *Application of Surplus Commercial Profit.*

Any amount of Profit which may remain after the Dividends have been paid constitutes that Surplus Commercial Profit which is applicable by Law to the discharge of India Debt or of Home Bond Debt. 53 Geo. 3, c. 155, s. 58.

The whole amount of Surplus Commercial Profit which has been realized, from the 1st May 1814 to the 1st May 1831, is 8,135,567 *l*. A statement is added in the margin showing the amount for each year.

The Court claim the right, under the 57th section of the Act, to propose the appropriation of Surplus Profits only to such extent, and at such times, as may appear to them consistent with the interests of the concerns committed to their superintendence. They have usually retained a considerable Balance unappropriated, in order, as they have stated, to make provision against unforeseen losses in subsequent years, and in consequence of their being so much in advance to the Territorial Branch, by payments in England on that account. The amount remaining unappropriated at the end of the year 1828-29 was, according to the principle of calculation adopted by the Court, * 2,724,013 *l*.

The following Table shows the manner in which the Appropriations for each year have been made :

	HOME BOND DEBT.	INDIA DEBT:			TOTAL.
		Payment of Bills of Exchange for Principal of Debt.	Consignment of Bullion to India, in aid of Sinking Fund.	Sum directed by the Financial Letter to Bengal, June 1821, to be advanced to the Sinking Fund.	
	£.	£.	£.	£.	£.
1814-15 - -	196,200	329,704	- -	- - -	525,904
1815-16 - -	136,300	318,382	- -	- - -	454,682
1816-17 - -	- -	477	- -	- - -	477
1817-18 - -	12	200	- -	- - -	212
1818-19 - -	- -	98	1,000,537	- - -	1,000,635
1819-20 - -	- -	- -	166,302	- - -	166,302
1820-21 - -	- -	6,285	- -	- - -	6,285
1821-22 - -	- -	10,576	- -	1,500,000	1,510,576
1822-23 - -	1,100	25,500	- -	- - -	26,600
1823-24 - -	75	1,396,842	- -	- - -	1,396,917
1824-25 - -	- -	- -	- -	- - -	- -
1825-26 - -	712	- -	- -	- - -	712
1826-27 - -	- -	3,950	- -	- - -	3,950
1827-28 - -	- -	82,103	- -	- - -	82,103
1828-29 - -	- -	82,065	- -	- - -	82,065
1829-30 - -	- -	75,778	- -	- - -	75,778
1830-31 - -	- -	- -	- -	- - -	- -
£.	334,399	2,331,960	1,166,839	1,500,000	5,333,198

Appx. No. 11 of
No. 19.

* Commercial Surplus Profits in excess of Payments, *vide* No. 3 of Appx. 3 (in which the Amount in 1827-28 and 1828-29, shown above, has been adjusted) £. 2,764,810
Deduct, Loss on Sunn Hemp, provided for the Public service, D^o No. 4 to D^o 40,797
£. 2,724,013

2. *The Board's Rates of Exchange.*

Correspondence
between the Board
and the Court,
Appx. No. 20.

At the period of the commencement of the Company's present term, the following Rates of Exchange had long been generally used in the conversion of Indian into Sterling Money, in the Accounts laid by them before Parliament, as well as in other of their Statements; viz.

Bengal Sicca Rupee (16 per cent. better than the	s.	d.
Current Rupee at 2 s.)	2.	3.84
Madras Rupee (3 $\frac{1}{2}$ Rupees to the Pagoda, at 8 s.)	2.	3 $\frac{1}{4}$.
Bombay Rupee	2.	3.

Appendix, No. 1.

Appendix, No. 20.
5749 of 1830.

These rates were at that period appointed by the Board of Control to be used in the separated Accounts between the Territorial and Commercial Departments. The use of them has been repeatedly objected to by the Court of Directors, on the ground that, as they were higher than those which result from a comparison of the metallic value of the respective currencies of India and England, and higher of late years than those actually current, they give not only a false view of the Revenues of India, but a view equally false of the state and out-turn of the Company's Commerce.

It is at the same time admitted by the Company, that to whatever extent the surplus of their Commercial Profits is applicable to Territorial purposes, the Territory might, if the Rates of Exchange at present in use were lowered, obtain, through that medium, the benefit which it now derives through the medium of the Rates of Exchange.

The Board of Commissioners for the Affairs of India have, however, on the grounds of the fluctuating price of Silver in this Country, of the convenience of calculation, and of long-established usage, and in consideration likewise of the favourable rate at which that portion of remittance effected through the China Trade has been made, required an adherence to the Rates originally prescribed.

While the British Currency was depreciated, these Rates, as compared with the Mercantile Rates, as well with respect to the remittances direct from India as those through China, were favourable to the Commercial Branch; but since the restoration of Cash Payments, the value of the Shilling has increased, the Exchange with India has altered more than one-fourth, and they are now, in so far as respects the remittances direct from India, losing Rates to the Commercial Branch.

Appendix to Com-
mons' First Report
of 1830, p. 111.

The advantage derived by the Territory from the use of these Rates, to the close of the official year 1828-29, according to the computation of the Company's Accountant General, amounts to 5,154,135*l.*, exclusive of Interest, which he calculates at 941,880*l.*; together, 6,096,015*l.*

Appendix, No. 2.

These calculations proceed upon the supposition that no part of the Funds issued in India in repayment of the Advances in England was remitted through China, but that the whole was liquidated by bills of exchange drawn in London upon India at 60 days sight, at the rate of exchange prevailing in London, augmented by the addition of six months' interest. But a calculation has been laid before this Committee, showing that, if the Indian rates of exchange, deducting six months interest, were applied to these calculations, the result would be 1.481 *d.* the rupee less than that of the Accountant General, or 1,646,712*l.*; and that, as the interest would be diminished in a corresponding proportion, the indirect advantage to the Territory, in this view, would be reduced from 6,096,015*l.*, as estimated by the Accountant General, to 4,148,632*l.*

3. *Remittance of Territorial Funds.*

It has been seen that, for the amount of those Territorial Charges which are defrayed in this Country, the Company, in its Commercial capacity, is entitled to a Credit on the Treasuries of India, and Remittances are made at the time, and in the mode, prescribed by instructions from England.

The Territorial Charges, for which Remittances must be annually made from India to England, are stated to have amounted, on the average, to 3,000,000*l.* These Remittances are effected principally by payments to the Commercial Branch, for the purpose of investment in Goods in India or China, for exportation to Europe. It appears that the whole of the Advances made in India for the purchase of Investments for Europe, from 1814-15 to 1826-27 inclusive, amounted to 30,545,069*l.*, of which 24,338,050*l.* is computed to have been issued in repayment of Territorial Charges defrayed in England, and 6,207,019*l.* to have been issued from Commercial Funds in India. The Sums issued from the Commercial Funds being considered as applied entirely to the purchase of part of the Indian Investments, the Payments from the Territorial Funds are supposed to have been distributed as follows: 13,862,909*l.* applied to the purchase of Indian Investments, and 10,475,141*l.* to Investments in China. The amount of the Remittances annually made from the Territorial Funds, through the medium of the India and the China Trade, has much increased in the period subsequent to 1821-22.

Evidence before
Lords, 1830, p. 9.

See Account,
No. 13, of Finance
Papers of Feb.
1830.

	India Trade.	China Trade.	TOTAL.
	£.	£.	£.
Average Annual Investment from Territorial Funds, 1814-15 to 1821-22 -	879,726	667,416	1,547,142
D ^o , 1822-3 to 1826-7	1,365,020	1,027,162	2,392,182

5723-4, of 1830.

The Sum which it will be necessary to remit to England in 1834 is estimated at 2,730,000*l.*; of which 250,000*l.* is the computed Amount of Bills for Interest of India Debt, payable only during the pleasure of the Home Authorities. The total demand, exclusive of that Sum, would be 2,480,000*l.*

Territorial Charges -	£. 1,730,000*
Interest on Debt and other demands -	1,000,000†
	£. 2,730,000

In reference to the means of effecting this Annual Remittance, questions have been raised as to the probable consequences of discontinuing the present union of Trade and Government.

It is alleged, on the one hand, that formerly, and upon an average for the whole period since 1814, the Company have remitted through their Trade more advantageously than if they had resorted to Private Bills; that the price of such Bills might be raised by combination on the part of the Merchants; that Bullion Remittances would create inconvenience and pecuniary distress; that to take security upon Cargoes would be attended with expense, and that the Government would require a Mercantile Agency; that the capacity of India to yield profitable Returns for British Commodities is checked by the necessity of making so large a Government Remittance, irrespective of the ordinary course of Trade; that the Territory would be subjected to considerable loss in accomplishing that Remittance; and that a peculiar importance attaches to the command of the China Trade, as the channel through which nearly half the Remittances to England have been effected.

Evidence before
Lords, 1830,
pp. 12, 329; Coms.
4338, 4892, 4895,
4897 to 4904, of
1830; 1405 to
1412, of 1832.

On the other hand, opinions have been confidently expressed, that no material difficulty would exist in making the Remittances in question independently of the Company's Trade; that three modes of effecting that object would then be available: viz. 1st. the Remittance of Bullion; 2dly,

Evidence before
Lords, 1830, p. 327.
3490 to 3507, of
22 March 1830;
4841, 4849 to 4854,
of 1830;

* See Appendix, B. 2. to No. 23.

† See Appendix to Minutes of Evidence, 1830-31, p. 173.

1850 to 1852, 2212 to 2231, 2347 to 2350, 2364 to 2408, of 1830-31; 2855 to 2860, of 1831; 233 to 301, 306 to 309, 1282 to 1447, 1798 to 1837, 1869 to 1877, 1941 to 1943, 1950 to 1955, 1991 to 1994, 2488 to 2498, of 1832. Commercial Appendix, No. 4.

2dly, the Purchase of Bills on England from Merchants in India at the Bullion price, (1s. 11½d. to 2s. per Sicca Rupee*), accompanied by a security on their Bills of Lading, and, if necessary, by depositing the Goods with the Government until the Bills are paid; and, 3dly, The sale to Merchants in England of Bills on the Indian Treasuries:—That the Imports from China as well as India (about five millions and a half sterling), furnishing the means of making the Remittances, no evil effect is to be apprehended from combination among the Merchants to raise the price of Bills, as the Government might resort to the alternative of remitting Bullion whenever Bills were not procurable at the Bullion rate; and that, if the exportation of Bullion proceeded to an inconvenient extent, a re-importation would follow, and the evil would thus produce its own remedy:—That the necessity of realizing in England a large amount for the use of the Territory has not prevented the growth of a profitable Export Trade from this country to India; and that such an effect is not to be anticipated, the resources of India being sufficient to furnish the means of exchange for European productions, in addition to the amount of Exportation required for Political purposes.

4. Account between the Territorial and Commercial Branches.

The state of the Account between the two Branches has, from the importance which has been assigned to it, engaged much of the attention of this Committee, as well as of the previous Committees of Inquiry. To whatever extent the whole of the Property at present vested in the East India Company, Commercial as well as Territorial, may be considered in strict law responsible for all their outstanding obligations in India and in England, yet, in the event of the cessation of their Territorial Administration, it appears probable that they would claim, in their Commercial capacity, to be relieved from a large proportion of those obligations, and at the same time to retain a large amount of Property.

Statements connected with this Account, prepared by the Company's Officers, have been from time to time laid before the Committees engaged in the present Inquiry.

5671 to 5673, of 1830; 2862 to 2905, 2917 to 2956, 2968, 4432 to 4492, 4526 to 4533, 4796 to 4822, 4855 to 4912, of 1831.

Much conflicting Evidence was adduced, before the Committee of 1830, upon the subject of the real or supposed advantage which, previously to the year 1794, one branch of the Company's Affairs obtained at the expense of the other. On one hand, it was contended that, during the period in question, Commerce derived considerable benefit at the expense of Territory; on the other, that Territory derived considerable benefit at the expense of Commerce.

5671 to 5675, of 1830; 2906 to 2916, 2921 to 2956, 2958 to 2970, 4493 to 4533, 4796 to 4801, 4823 to 4836, 4900, 4913 to 4938, 4945 to 4949, of 1831. Evidence before Lords, 1830, pp. 12 and 328. Appendix, No. 25.

Evidence and opinions not less conflicting have been offered as to the state of the Account between the two Branches during the Company's last term. Statements have been drawn out by different parties, in opposition to those of the Company, with a view to the determination of the question, which, it has been contended, differ each from the others, as well in point of principle as in their details and results. In the Report† which has recently been laid before Your Committee, these controversies having been reviewed, and the statements made of the Accounts having been compared with the views contained in the Third Report of the Committee of the House of Commons of 1810-12, it is contended that those Statements are insufficient for the objects which the framers of them had in view.

Your Committee will not attempt to draw any conclusion from these conflicting statements and opinions. On which side the evidence preponderates,

* Vide 1284 of 1832.

† Appendix, No. 2.

ponderates, or whether it rests upon grounds too remote and uncertain to be now applied to any practical purpose, and whether, therefore, any future separation of interests between the two Branches must be determined by other considerations than those upon which these different Statements have proceeded, Your Committee feel that it does not rest with them to determine; and that they shall best discharge their duty by merely calling the attention of the House to the view which is taken of these controversies in the Report to which they have already referred.

The separation of the Accounts between the two Branches during the present Term, agreeably to the provisions of the Act of 1813, was effected, as has been already shown, in conformity with a plan prepared by the Court of Directors, and approved by the Board of Commissioners, in the year 1814. The separation, as prescribed by the Act, was understood to apply only prospectively, and the plan of Accounts was framed in that view. It regulated the mode of stating the transactions subsequently to the 30th April 1814; but it did not embrace the apportionment of the Property of various kinds, and of the Debts, existing at that date, which could only be determined by a reference to the specific character of the financial transactions of a previous period.

53 Geo. 3, c. 155,
s. 64.

Appx. No. 1.

With a view to commence the separate Accounts of the two Branches, the Court of Directors ordered a division to be made of the Debts and Property, upon the principle, that the India Register Debt, which had been declared by Parliament in 1793 to be Territorial, but had largely increased since that period, was still entirely Territorial; that the Indian Assets were of similar character; and a few heads of small amount only, both of Debt and Asset, classed in the Indian books as "Commercial," were carried to the Commercial Account. As to the Property at Home, the whole of it, including the Cash in the Home Treasury, and the Property afloat (with a few exceptions) being found in a Commercial form, or embarked in the Company's Trade, was directed to be carried to the credit of the Commercial Branch.

33 Geo. 3, c. 52,
s. 108.

The Debts existing at Home were also debited to that Branch, with the exception of the Home Bond Debt, which it has been usual to consider of doubtful character, and which was not carried to the account of either Branch.

The exceptions to the apportionment of the Home Property above described were, that Bills running on the Court for Principal and Interest of India Debt, the Loan of 1812, raised for the discharge of similar Bills, and a sum in Treasure, on its passage from India (in the Stirling Castle) which was afterwards applied to the same purpose, together with the Debts and Credits outstanding between His Majesty's Government and the Company, and the article of Political Stores, were carried to the Account of the Territorial Branch.

The Stock thus divided was carried to account in the Stock Accounts in India, and in the Books at Home, and appears in the statements of Stock per Computation occasionally presented to Parliament. The current transactions between the two Branches, arranged according to the plan of 1814, are recorded in two Accounts also before Parliament (numbered 1 and 2); the first showing, on one side, the Payments* made in England for Territorial purposes, under the 56th Section of the Act of 53 Geo. 3, c. 155; and on the other, the Repayments made by the Territorial Branch in India in issues for Commercial Investment: the second

Papers of February
1830, and their
continuation in
1831 and 1832.
Commercial Series,
No. 7.

* These Payments are enumerated in the Appendix to the Lords' Report of 1830, No. 1, A.
735—II.

Account showing, on one side, the Bills of Exchange paid for Interest of India Debt, noticed in the 55th and 58th Sections of the Act, as also those for Principal of Debt not discharged out of Surplus Profits; and on the other side, the Funds remitted from India for the Liquidation of such Bills, whether in Bullion on Territorial Account, or through Transactions with His Majesty's Government, or by the purchase of Bills from Private Merchants.

App. 3 & 4 to No. 2.
Correspondence
between the Board
and the Court,
Appendix, No. 21.

According to the view taken by the Court, the Balance of the first of these Accounts, on the 30th April 1829, was 1,543,619*l.* in favour of the Territorial Branch; and the Balance of the second, or that applicable to Bills of Exchange, 4,580,197*l.* in favour of the Commercial Branch. The difference between the two constitutes a Net Balance of 3,036,578*l.* due to the Commercial Branch.

5. Home Bond Debt.

This Debt is composed of Securities issued by the Company under their Common Seal, upon which they have from time to time been empowered by Act of Parliament to borrow Money to a limited extent. The Bonds cannot be issued for a shorter period than six months; but the Company are at liberty to discharge them at any time, after giving a previous notice of that extent in the London Gazette. The holders of the Bonds also enjoy a similar privilege, and can demand payment after giving a notice, for the like period, in writing to the Accountant-General at the India House. The first Legislative Enactment empowering the Company to raise Money upon their Bond placed no limitation upon the amount to which they might borrow; a subsequent Act authorized an increase of 1,500,000*l.* It was afterwards permitted to be increased to 5,000,000*l.*; and again, by a more recent Act, to 6,000,000*l.* In 1773 it was required to be reduced to 1,500,000*l.*; and in 1793, upon the Company being permitted to increase their Capital Stock, it was again required to be reduced to that amount, after which, by consent of the Board, it might be increased in the sum of 500,000*l.* This was the first Legislative provision giving the Board authority to interfere with regard to the Bond Debt. In 1794 it was allowed to be increased to 3,000,000*l.* In 1807, in consequence of the Company not having availed themselves of the permission granted them in 1797 to increase their Capital Stock, permission was given to augment the Bond Debt to 5,000,000*l.*; and in 1811, in order to meet the Bills drawn on the Home Treasury from India on account of Territorial Demands from India, it was authorized, with the consent of the Board, to be increased to 7,000,000*l.*, beyond which amount it cannot be augmented. On this occasion also, legal effect was given to the transfer of the property in the Bonds from one person to another. The limit to which the Bond Debt is allowed to be reduced is 3,000,000*l.*

In 1750, the Bond Debt amounted to 4,065,573*l.*; in 1751, to 1,652,359*l.*; in 1794, to 2,179,467*l.*; in 1796, to 1,519,592; from which time it did not materially vary till 1805, when it was increased to 2,412,092. In 1808 it was further augmented to 4,220,792*l.*; in 1812 it increased to 6,581,317*l.*; in 1814 it was reduced to 4,501,892*l.*; in 1815, to 3,979,392*l.*; and in 1829 it amounted to 3,795,892*l.*

The rate of Interest paid on the Bonds from 1773 to 1783 varied from three to four-and-a-half per cent. From 1783 to 1787 it was five per cent. In the latter year it was reduced to four per cent.; but in 1796 it was again increased to five per cent.; and from that year to 1818 it varied

9 & 10 Will. 3.

6 Anne, c. 17,

7 Geo. 1. c. 5.

17 Geo. 2. c. 17.

13 Geo. 3. c. 64.

33 Geo. 3. c. 47.

34 Geo. 3. c. 41.

47 Geo. 3. c. 41.

37 Geo. 3. c. 31.

53 Geo. 3.

varied from five to * six per cent. From 1818 to 1830 it varied from four to three per cent. ; and in 1831 it was reduced to two-and-a-half per cent., which is the rate it now bears.

The sum of 334,399*l.* of Bond Debt which has been shown to have been discharged, is the amount paid off, and which it was considered, under legal advice, could alone be counted as discharged from Surplus Profits, agreeably to the 57th section of the Act of 1813. Adding the amount of Bonds paid in on Sales, an actual or virtual reduction of the Bond Debt during the period was effected to the extent of 805,999*l.*

Appendix, No. 19,
p. 271.

Correspondence
between the Board
and the Court,
Appendix, No. 19:
773 to 777, of 1832.

6. *Prospective Estimate.*

There appear to be three modes of computing the Prospective Condition of the Finances.

I. A Prospective Estimate of the whole state of the Finances of India at the close of the present term, accompanied with Remarks and Explanations on the part of the Court of Directors, has been laid before Your Committee. This Estimate is founded upon the Accounts of Revenue and Charge of 1829-30, adjusted, in reference to future years, according to the latest advices received in March 1832. It takes into account, for the future, only such particular reductions of Charge as are specifically directed to be carried into effect. It is framed with reference to two different events: the continuance of the present system as a whole: and the continuance of the Territorial Administration, the Company relinquishing the Trade, or the cessation of that Administration.

Appendix, No. 22.

In the first case, the Court estimate that a deficiency of Revenue to defray all Charges at Home and Abroad will remain, amounting to 453,823*l.* This is calculated on the supposition that the Territory will continue to receive the advantage of the Board's Rates of Exchange.

In the second case, it is computed that, in consequence of the Territory having to make its Remittances unaided by the Trade, and at the Mercantile Rates, instead of at the Board's Rates, the deficiency will amount to 813,209*l.*

A computation has also been made of the probable effect, on the result of the foregoing Estimate, of the liquidation of Claims the amount of which is uncertain or under discussion. These Claims are, 1st. A dormant Claim to a Balance of Expenditure on account of the Wars which preceded the acquisition of the Dewannee, amounting to 3,616,113*l.*, not including Interest. 2d. A Claim to have the Bond Debt, amounting to about 3,600,000*l.*, considered as a Territorial Charge; and 3d. Certain rights of property abroad, the value of which is not computed in money. Supposing the two first Claims to be conceded, the Interest upon the Principal of the Bond Debt, at the present rate of 2½ per cent., and upon the amount of the first Claim, at 5 per cent., would form a further annual charge upon the Territory of 270,805*l.*

By an Estimate, signed by the Accountant of the India Board, an improvement is shown upon the Court's Estimate, by which the deficiency is reduced, in the first case, from 453,823*l.* to 123,253*l.*; and in the second, from 813,209*l.* to 560,924*l.*

Appendix, No. 23.

It has been seen that a considerable part of the augmented deficiency in the second case arises from a difference in the Rates of Exchange. In the

Estimates

* Under the 46 Geo. 3, the Interest was allowed to be the same as Exchequer Bills, the Holder paying the Property Tax. Afterwards the Company paid the Property Tax for the Holder in addition to allowing 5 per cent. Interest.

* Appx. No. 22.
1318 of 1832.

Estimates prepared at the India House and at the India Board, the Remittance to this Country is computed at an exchange of 1 s. 9.247 *d**. But opinions have been confidently expressed, that the necessary Amount of Remittance could be effected from India at 1 s. 11 *d*. Should this opinion prove to be well-founded, the deficiency, in the event of a separation of Trade and Government, estimated upon the principles of the Court of Directors, as adjusted by the Accountant of the India Board, would amount only to 407,616 *l*.

II. The Prospective Estimate may be considered with reference to the reductions which have been recommended by the Indian Civil Finance Committee. If all these reductions were carried into effect, the above deficiency of 407,616 *l*. would, according to the Estimate of that Committee, be reduced to 55,379 *l*. Some, however, of these reductions would involve important alterations of system, and could only be adopted under the authority of the Legislature.

III. It has been seen that, according to the statement of the Accountant General of Bengal, the amount of Charge has not been fully reduced, as prescribed by the Court of Directors, to the standard of 1823-24, and that the amount of reductions which remain to be made, is Rupees 54,93,063, or, at the rate of 1 s. 11 *d*. per Sicca Rupee, 526,418 *l*. This amount, being only the result of a general direction, is not taken into account in the Prospective Estimate of the Court, which, it has been already explained, allows only for those particular reductions of Charge which have been specifically ordered. If, however, the Local Governments succeed in carrying into effect the general orders of the Court in 1827, there would then be a surplus of Revenue over Charge amounting to 118,802 *l*.

The results above stated apply to the year 1834. About the year 1836 it is expected that the Fund now annually set apart for the discharge of the Debts of the late Nabobs of the Carnatic will be sufficient for its purpose. By the cessation of the payment on that account, it is estimated that, at the exchange last-mentioned, the Charges will be reduced, and the results improved, to the extent of 102,387 *l*.

As regards the prospect of the Revenue, it may be expected, that those Social and Political Improvements which have been mentioned, as having hitherto contributed to its increase, will continue to operate.

On the other hand, the Revenue derived from Opium is said to be endangered by the competition of Opium grown under a system of Free Cultivation in Malwa. And the attention of Your Committee has been called to the uncertainty which has been found to attach to the realization of prospective Estimates of the Indian Revenues, framed upon the scale of former years. Tables, exhibiting the variations of actual Accounts from the sketch and regular Estimates which had been previously formed, have been laid before Your Committee, and are inserted in the Appendix.

The prospect of a continued aid to the Finances from the Commercial Funds of the Company appears to be uncertain. Under the existing system, the Profit upon the India Trade has been converted into an increasing Loss, (observing however the Board's rates in the computation,) and that upon the China Trade has also gradually declined. In the event of a total separation between the two Branches, the Territory would of course cease to derive, either directly or indirectly, any extraordinary advantage from Trade.

It has already been shown that, upon the supposition of the cessation of the Company's Territorial administration, a sum of money is claimed on account of expenses incurred previously to the acquisition of the Dewannee, and

72. 293 to 296.
57 to 67. 303 to
305, of 1832.

697, 698 of 1832.
Appendix B. to
No. 23.

Commercial Series,
No. 3.

and that a claim is likewise preferred to certain Forts, Towns, Islands, Territories and Rights, obtained by purchase, amicable grant, or negotiation, previously to that event. It is likewise alleged, that the Territorial Branch will stand indebted to the Commercial Branch, at the expiration of the present term, in a sum of between four and five millions; and it is urged, that the whole of the Indian Debt, notwithstanding that the Company is bound for it, is a charge on the Indian Territory. On the other hand, the interests of the Territory, and the rights and claims of the Territorial creditors would require to be investigated and considered.

THE COMMERCIAL INQUIRIES of Your Committee have embraced,

I.—The State and Results of the East India Company's Commerce.

II.—The Commerce of India in relation to the General Interests of Trade and Navigation.

I.—THE STATE AND RESULTS OF THE EAST INDIA COMPANY'S
COMMERCE.

A STATEMENT of the results of the Company's Commercial operations has been made, which, although not founded upon principles strictly and indisputably accurate, is presumed to be a close approximation to the truth. Appendix, No. 2.

It has been already shown that the nominal Capital of the Company, upon which Dividends are paid, is 6,000,000 *l.* Since the year 1794 there has been no subscription.

The Dividend to the Proprietors upon the nominal Capital is by Law 53 Geo. 3, c. 155. limited to 10 $\frac{1}{2}$ per cent. on the above amount. This rate of Dividend has been regularly paid since the commencement of the present Term. It does not, however, exceed 2*l.* 18*s.* per cent. on the Capital really employed. Evidence before Lords, p. 12.

The actual amount of the Capital, as computed by the Court on the 1st May 1829, is 21,102,182 *l.* Its component parts are as follows: Commercial Series, No. 2.

	£.	
Cash at Home and Abroad, and property in the Public Funds	*2,186,129	* Cash - £. 1,425,187
Goods and Merchandise at Home and Abroad - -	7,383,931	Property in Public Funds } 760,942
Property afloat, and Freight advanced thereon - -	3,531,897	£. 2,186,129
Debts due to the Company at Home and Abroad for Goods sold, and Advances for Investment - - - -	2,227,195	
Buildings and Dead Stock - - - - -	1,467,967	
East India Annuities - - - - -	1,207,560	
Due from the Territorial Branch, exclusive of Interest - - - - -	£. 3,036,581	Commercial Series, No. 7.
Interest as computed by the Court - -	1,536,078	
Amount expended by the Commerce for Articles not chargeable till shipped -	59,247	
	4,631,906	
Deduct,	£.	22,636,585
Debts at Home (Bills of Exchange unpaid, Freight, Customs, Proprietors of Private Trade, &c.) -	£. 1,300,226	
Debts in India and China - - - -	234,177	
	1,534,403	
	£.	21,102,182

This amount is exclusive of the Bond Debt.

Commercial Series,
Nos. 3 & 4.

The Return to the Capital, which, on the 1st May 1814, was 19,211,984*l.*, was, in the Fifteen Years 1814-15 to 1828-29, *20,488,379*l.*, including 1,536,078*l.*, the Interest on the Balance due from the Territorial Branch, which is rather more than Seven per Cent. per annum. Of the sum of 20,488,379*l.* there has been paid in Dividends 9,450,000*l.*, and in Interest upon the Bond Debt 2,585,346*l.*, leaving a Surplus of 8,453,033*l.*, whereof, it has been already shown, there have been applied in the liquidation of Home Bond Debt 805,999*l.*, and to Territorial purposes 4,923,021*l.*

Commercial Series,
No. 2.

It appears from the above Table, that, of the Capital, 1,968,502*l.* is invested in East India Annuities and other Public Funds, and 4,631,906*l.* is for Principal and Interest due from the Territory. The further sum of 1,294,768*l.* is the value of the East India House and Warehouses. These several sums make a total of 7,895,176*l.*, which, deducted from the before-mentioned amount of Capital (21,102,182*l.*), leaves 13,207,006*l.* applicable to the conduct of the Company's India and China Trade.

Commercial Series, Statement to No. 3.

	India Trade.		India and China Trade.
	Average Annual Profit.	Average Annual Loss.	Average Annual Profit.
	£.	£.	£.
1814-15 to 1818-19	364,693	-	1,525,799
1819-20 to 1823-24	-	116,678	875,432
1824-25 to 1828-29	-	303,757	625,910
Average Annual Profit on India and China Trade during the 15 years			
			1,009,047
Annual Average of all other sources of Profit			356,844

Upon the India Trade there has been, during the above-mentioned period, a loss of 278,707*l.*; upon the China Trade, a gain of 15,414,414*l.*

If the Mercantile Rates of Exchange had been used in the Account between the two Branches, it is computed that a larger Profit upon the Trade would have been exhibited.

The Commercial Receipts of the Company are derived from several sources besides their China and India Trade. They receive a profit from the

management of Private Trade Goods, from the employment of their own Ships, from Interest on Annuities and on Government Stock, and from Interest on Advances to the Territorial Branch. The Total Profit derived from these sources, during the 15 years ending 1829, was 5,352,673*l.*

866 of 1832.

873 of ditto.

Since the year 1824-25, the Company have ceased to export Merchandize to India. Their only Exports, since that period, have been Military and Political Stores. Their motives for discontinuing their Export Trade are stated to have been, first, the difficulty of obtaining any articles of Indian Produce or Manufacture that would afford a remittance to London, even at several pence in the Rupee below the par of Exchange; and secondly, the large Balance due from the Territorial to the Commercial Branch.

999 to 1001.

1024-5, of 1832.

The only Articles imported by the Company into England from India are Raw Silk, some Silk Piece-goods, Saltpetre and Indigo. The Indigo is purchased by the Company at Calcutta; the Raw Silk and Saltpetre are prepared in their Factories; and the Silk Piece-goods (Bandannoes) are

* The Amount shown to have been realized, in No. 3 of Commercial Series, is	£. 20,529,076
Deduct,	
Amount of Loss, stated in No. 4 of the same Series, to have been sustained in the provision of Sunn Hemp for the Public	40,797
	£. 20,488,379

are obtained at Cossimbuzar, by Contracts with the Head Weavers, to whom advances are previously made. Sugar was included in the Company's Imports until very lately, but has now been discontinued.

The Company's principal Export from India to China is Cotton from Bengal and Bombay. Their Cotton Factories at Madras have been abolished. The Cotton is purchased at the principal Marts in the interior of India by the Company's Agents. The large Export Trade in Opium to China is exclusively in the hands of the Private Merchants.

1121 to 1125.
Com. Rep. 1830,
passim.

Their only Import into England from China is Tea. Their Importation of Nankeens was discontinued in 1822, and that of Raw Silk in 1824, both having been attended with a loss. The Home Market is now fully supplied with these Articles by private Importation from Singapore and other places.

975 to 987, of 1832.

The Import Trade of the Company from India to England, being attended with loss, is carried on only as affording the means of remittance.

1059.

Mode of declaring the Dividend.

Statements are annually prepared for the information of the Court of Directors, previously to their taking into consideration the rate of Dividend to be by them recommended to the Court of Proprietors for declaration. For each year since 1814-15, these Statements have been laid before Your Committee. They appear, in the earlier part of the period, to have consisted of Abstract Statements of Profit and Loss upon the Company's Goods sold in the March and September Sales, and of other Profits resulting to the Company in England, together with the ultimate Surplus liable to a Territorial appropriation.

Appendix, No. 27.

At a later period, Accounts in greater detail were presented, distinguishing the India from the China Trade, and specifying the prime cost of the Investment, the Freight, the Charges, the Sale Amount, and the net Profit or Loss on all Goods sold by the Company; and showing also the Home Profits and Receipts, and the Net Proceeds of the Commerce in Great Britain, after all Adjustments and after defraying all Charges.

1820-21.

The Interest on the Bonds forms a Charge upon the Commercial Fund, out of which the Dividends are paid. This Fund consists of the Net Commercial Proceeds computed as above. Any ultimate Surplus, after the Dividends are paid, constitutes Surplus Commercial Profit, applicable, by Law, to the discharge of India Debt or of Home Bond Debt.

53 Geo. 3, c. 155,
s. 57.

Comparative View of the Commercial Property in 1814 and 1829.

Commercial Series, No. 4.	The Value of the Commercial Property on the	£.
	1st May 1814, after providing for all outstanding demands, was - - - - * £. 19,211,984	
	On the 1st May 1829, its value was - - - - † 21,668,510	
	Improvement in 1829 - - - - -	2,456,526
	In the above Statement the Home Bond Debt is not included,	
	Its amount on 1st May 1814, was - £. 4,601,892	
	on 1st May 1829 - - - - 3,795,892	
	Decrease of Home Bond Debt, which was effected by } the application of Surplus Profits - - - - }	805,999
	The improvement of the Commercial Concern, added to the diminution of the Home Bond Debt, would pro- duce a more favourable Balance by - - - -	3,262,525
	Adding to this sum the amount applied from Surplus Commercial Profits to the liquidation of Indian Debt -	4,923,021
	The Improvement would amount to - - - -	8,185,547
	<i>Result of the Two Branches combined:</i>	
	The deterioration of the Territorial Property has been shown, (but upon a principle which is liable to considerable ad- justment,) after applying the Surplus Commercial Profits to the liquidation of its Debt, to be 11,622,422 <i>l.</i> , but without that appropriation, it would have been - -	16,545,463
	The Net Deficiency or Deterioration of the two Branches combined, between 1814 and 1829, will therefore have been, in the view here taken,	8,359,917

* The Total Value of Property in 1814 is stated, in Account No. 4 of
Commercial Series, at - - - - - £. 19,735,909

Which requires the following adjustments, as showed in the same Account:

Deduct, Amount of Spices from the Moluccas, the proceeds of which have been allowed to His Majesty's Government - - - - -	£. 234,448
Amount of Buildings and other Dead Stock in In- dia, written off since 1814 - - - - -	78,625
Amount of Debts due to the Company on 1st May 1814 - ditto - - - - -	140,538
Value of Buildings for Territorial purposes, included in 1814, but since separated - - - - -	70,314
	523,925
	£. 19,211,984

† Value of Commercial Property in 1829, as before stated -	£. 21,102,182
Add, Amount of Dead Stock - - - - -	566,328
	£. 21,668,510
Deduct, Surplus Profits unappropriated - - - - -	2,724,013
	£. 18,944,497
Add, Profit estimated on Goods, more in 1814 than in 1829, £. 291,551	
Deduct, Difference explained in a Memorandum to No. 4 of Commercial Series - - - - -	24,064
	267,487
	£. 19,211,984

II.—THE COMMERCE OF INDIA IN RELATION TO THE GENERAL INTERESTS OF TRADE AND NAVIGATION.

UNDER this head of Inquiry Your Committee have received much valuable information, although, in consequence of the approaching termination of the Session, it will not be practicable to found upon the Evidence any detailed statement.

The attention of Your Committee has been turned chiefly to those points which do not appear to have been embraced in the inquiries, either of the Committee of the Commons upon the China Trade (1830), or of the previous Committees (1821-2-3) of the Lords and the Commons upon Foreign Trade.

Papers relative to the Commercial affairs of India, addressed, by various Individuals and Commercial Bodies, to the Secretary of the Board of Control, have been laid before Your Committee. They consist of Answers to Queries which had been circulated by that Department, and have reference to the Commercial facilities which have been afforded since the opening of the Trade with India in 1814—the Increase of the Trade—the nature and extent of that Increase—the System pursued by the Company in the conduct of their Commercial Transactions in India—the practical effects of the union of Government with Trade in India—the Commercial System of the Company in England—the operation of the means employed by the Company in order to effect the Remittances required in this Country—the various modes in which such Remittances might be effected—the state of the Exchanges generally, as between India and other Countries—the probable effect of withdrawing the Executive authority from Trade in India—the Commercial Arrangements with Foreign States—the Financial bearings of the present system of Trade—and measures calculated to improve or increase the number of the Exportable Productions of India, or generally to advance the interests of Indian Commerce. The whole of these Answers, consolidated under their respective heads, will be found in the Appendix.

Commercial Appendix, No. 4.
See also Financial Appendix, No. 38.

Further Returns will be found in the Appendix, illustrative of the state of the Trade between Great Britain, India and China, showing the Value of the Imports and Exports, and distinguishing the Trade of the Company, of other British Subjects, and of Foreigners: And showing the Number of Vessels and Amount of Tonnage annually entered inwards at the Ports of the United Kingdom, from places East of the Cape of Good Hope. Returns also are given, for a series of years, of the Quantities of each Article, Imported into, or Exported from, as well as the Number of Ships entered inwards, and cleared outwards, at Bengal, Madras, and Bombay; and of the Quantities of each Article of Internal Commerce received at the Presidencies, in its transit from, or to, the Interior. Separate Returns have also been obtained, showing, for a series of years, the course and results of the Indian Trade in Bullion.

Evidence has likewise been received as to the means of extending the Trade with Asia; the Navigation by Steam; and the capability of India to produce articles of leading importance in Commerce, such as Cotton, Sugar, Tea, Coffee, Rice, Tobacco, Silk. The difficulty of providing Returns, and the bad quality of the Products of India, appear to be considered the chief Obstacles to an extension of Trade. The chief Remedies which have been suggested by various individuals are, 1. A Reduction of the Duties in England on the Importation of Indian Produce: 2. The

Commercial Appendix, No. 5.

Removal of the Transit Duties in India : 3. A relaxation of the existing Restrictions against Europeans proceeding to India, and residing and holding Lands there : 4. A more efficient Protection to Person and Property in India : 5. Opening the Trade with China : 6. A complete withdrawal from Trade on the part of the Government of India.

Commercial Appendix, No. 4.

Your Committee are unable to enter at present into an examination of these suggestions ; but, with reference to the first of them, they have inserted in the Appendix an important Statement, showing the Rates of Duty (Customs and Excise) which have been chargeable in England on all Articles, the produce of the East Indies, since the year 1812, together with those which are chargeable upon like Articles, being the produce of other countries.

Commercial Appendix, Nos. 1 to 3.

A Digest is given in the Appendix of the whole of the Commercial Evidence which has been taken since the Report on the China Trade before the Committees of the Lords and Commons, in 1830, 1830-31, and 1831-1832.

MEMBERS BEFORE WHOM THE FOLLOWING
EVIDENCE WAS TAKEN.

Mr. Hyde Villiers.

Mr. Hume.

Mr. Baring.

Mr. Warburton.

Mr. Courtenay.

Mr. James Morrison.

Mr. John Loch.

Mr. Heywood.

Mr. Pusey.

Mr. W. B. Wrightson.

Lord Viscount Morpeth.

Mr. George Vernon.

LIST OF WITNESSES.

<i>Lunæ, 20° die Februarii 1832 :</i>		<i>Lunæ, 19° die Martii 1832 :</i>	
James Pennington, Esq.	- - - p. 1	William Cabell, Esq.	- - - p. 132
<i>Jovis, 23° die Februarii 1832 :</i>		Lieutenant J. H. Johnston, R.N.	- p. 139
Holt Mackenzie, Esq.	- - - p. 3	<i>Martis, 20° die Martii 1832 :</i>	
<i>Sabbati, 25° die Februarii 1832 :</i>		Lieutenant J. H. Johnston, R.N.	- p. 145
Holt Mackenzie, Esq.	- - - p. 18	<i>Sabbati, 24° die Martii 1832 :</i>	
<i>Martis, 28° die Februarii 1832 :</i>		Thomas Bracken, Esq.	- - - p. 150
Holt Mackenzie, Esq.	- - - p. 33	<i>Jovis, 29° die Martii 1832 :</i>	
<i>Sabbati, 3° die Martii 1832 :</i>		George G. de H. Larpent, Esq.	- p. 161
Holt Mackenzie, Esq.	- - - p. 52	William Crawford, Esq.	- - - p. 170
William Leach, Esq.	- - - p. 61	<i>Lunæ, 16° die Julii 1832 :</i>	
<i>Jovis, 8° die Martii 1832 :</i>		John Wilkinson, Esq.	- - - p. 182
William Leach, Esq.	- - - p. 70	Dr. Bowring	- - - p. 218
William Simons, Esq.	- - - p. 73	<i>Sabbati, 4° die Augustii 1832 :</i>	
<i>Lunæ, 12° die Martii 1832 :</i>		James Cosmo Melvill, Esq.	- - p. 176
William Simons, Esq.	- - - p. 82	James Pennington, Esq.	- - p. 182
<i>Mercurii, 14° die Martii 1832 :</i>		<i>Lunæ, 13° die Augustii 1832 :</i>	
William Simons, Esq.	- - - p. 99	Nathaniel Wallick, M. D.	- - p. 192
<i>Veneris, 16° die Martii 1832 :</i>		<i>Martis, 14° die Augustii 1832 :</i>	
John Horsley Palmer, Esq.	- - p. 106	Nathaniel Wallick, M. D.	- - p. 197
<i>Sabbati, 17° die Martii 1832 :</i>		James Cosmo Melvill, Esq.	- - p. 206
Thomas Love Peacock, Esq.	- - p. 119	<i>Mercurii, 15° die Augustii 1832 :</i>	
William Cabell, Esq.	- - p. 130	N. M. Rothschild, Esq.	- - p. 208
		Sir John Hall	- - p. 209

MINUTES OF EVIDENCE.

Lunæ, 20^o die Februarii, 1832.

THOMAS HYDE VILLIERS, ESQUIRE,
IN THE CHAIR.

Mr. *James Pennington*, called in ; and Examined.

II.
FINANCE.

Mr.
James Pennington.
20 February 1832.

1. YOU have been for some time past occupied in examining the East India finance accounts?—For the last two months a considerable share of my attention has been given to those accounts ; previously to that time I had no knowledge of them.

2. What accounts have you had before you?—The finance papers presented by the King's command, and the continuation of them ; the Reports of 1811 and 1812, with their Appendices, and the India budget accounts since 1810.

3. Have you found any material difficulty in understanding these accounts?—I found no difficulty in understanding the tabular statements of the revenue and charges of India ; but on comparing the results they exhibit, with the augmentation of the India debt bearing interest, and the debt not bearing interest, I found so many apparent discrepancies as to render it extremely difficult, or rather impossible, to reconcile the one with the other. After many ineffectual attempts to discover the cause of these discrepancies, I found that the statements were to be regarded merely *as* statements, not as accounts ; and that they do not furnish the means of accomplishing the object I aimed at.

4. Do you mean the increase and decrease of debt?—In comparing the result of the income and charge with the increase or diminution of debt, combined with the alterations which have taken place in the treasuries of India, and the advances made in England, I expected to have found that the results would have agreed with each other.

5. Do you mean that you expected the results to show whether there had been an increase or decrease of debt, according as the revenue was affected?—Not the revenue only, but all the income and outgoings of the Indian treasury.

6. Will you state further what course you then pursued?—I made out a *pro forma* statement, with the intention of showing how it appeared to me an account might be made out that would show in what way the state of the Company's affairs at one period was necessarily connected with their state at a subsequent period, by an intervening chain of receipts and disbursements. I was informed that such an account could be made out, but that it would be a work of considerable time and difficulty. At the same time, I was told I should be furnished with abstract statements of the cash accounts of the three presidencies in a very short time.

7. Did you obtain copies of these abstract statements, and did they enable you to overcome the difficulties you have mentioned?—Copies of the abstract statements were furnished ; they did not enable me to overcome the difficulties I had previously experienced, but they enabled me, by collecting the items they contain, and arranging them under their respective heads, to arrive at the results that are stated in a memorandum which I believe has been submitted to the Committee.

8. Have you any reason to question the general accuracy of the finance statements?—I have no reason to question the accuracy of the statements, when considered merely *as* statements ; but these statements are not accounts, and do not afford the means of ascertaining what is the actual condition of the Company's affairs at any one period, still less do they afford the means of checking the results by bringing them to the test of a balance.

9. Explain what you mean by statements?—My meaning will perhaps be best explained by an instance. Two statements may be drawn out with a view to illustrate the particular matters to which they relate, and each may contain items that are common to them both : if the results the statements exhibit were to be taken

Mr.
James Pennington.
20 February 1832.

as matters of account, those items, it is obvious, would be taken twice over; they are statements, not accounts: or if a statement of the revenue and charge contained all the income and disbursements of the Treasury, I should call it an account; if it comprehended only part of the outgoings and the income of the Treasury I should call it a statement.

10. Did these actual amounts, stated to have been paid and received, appear to be actual payments, or only estimates of payments?—They are most likely actual payments; I am not exactly able to say that such is the case, but I have no doubt they are actual payments.

11. Did the heads of these statements correspond with the heads of accounts in India in the general books?—I apprehend these are only abstracts from general accounts, and not intended to fall exactly under the same heads of account as exist in the India books.

12. The results are rather consolidated than aggregated in these statements?—The English receipts and payments are sometimes consolidated rather than aggregated with the receipts and payments in India.

13. Do you think you have got all the accounts sent home from India to England; or is there anything yet to be brought forward from the time you commenced?—My investigation has been chiefly confined to the accounts since the commencement of the present charter.

14. In the answer to question 5680, in the Second Report, it is stated that the increase of the register territorial debt of India, from the commencement of the present charter to the 30th of April 1828, was 12,603,914*l.*, to which if there be added the amount of surplus profits applied to territorial purposes, 4,923,020*l.*, and the advances from the commercial branch, 3,184,000*l.*, the amount will be 20,710,934*l.* The territorial deficiency for the same period is stated to be 19,825,027*l.*; the difference between these sums, 885,907*l.*, remains to be accounted for, as an increase to the territorial assets since 1814; is this, in your judgment, a satisfactory account of the matter?—That is the only attempt at anything like a balance statement that I have yet seen. If it had been distinctly shown of what the 885,907*l.* consisted, and that that asset was the necessary result of the circumstances stated in the question, I should then consider the explanation satisfactory; but when it is recollected that the balance in the Indian treasury in 1828, the period to which the question extends, exceeded the balance in the Indian treasury on the 30th April 1814, by nearly three times 800,000*l.*, although that circumstance alone is not sufficient to invalidate the result, it is enough to induce a wish that it had been more satisfactorily explained, and more distinctly accounted for.

15. Did you take all the Indian treasuries, or one?—The whole of the Indian treasuries. The difference is stated to be 885,907*l.*, to be accounted for by a supposed increase of territorial assets. If it had been shown that the increase was exactly 885,907*l.*, that it was neither more nor less than 885,907*l.*, it would in that case appear to be the necessary result of the conditions involved in the question, and the explanation have been satisfactory.

16. What was the first statement of stock by computation, laid before Parliament after the commencement of the present charter?—The first account of stock by computation, was to the 30th April 1815, in so far as respects England; and to the 30th April 1814, in so far as respects India.

17. What is the balance of the account?—The balance against the Company on the whole of the concern, 2,611,311*l.*

18. What was the balance of stock by computation on the 1st of May 1813?—That account shows a balance against the Company of 7,773,493*l.*

19. These accounts are drawn out in respect to India on the 1st May 1814 and on the 1st of May 1812; and with respect to England, on the 1st of May 1815, and on the 1st of May 1814, are they not?—Yes, they are.

20. By comparing the two with each other, there is an improvement in the general concern of upwards of 5,000,000*l.* between 1813 and 1815. Can you account for this great improvement in that period?—I am unable to account for it. It appears to me extremely desirable that the principle on which the commercial property was separated from the territorial at the commencement of the present charter should be explained. In these two years the surplus revenue was not much more than 100,000*l.* The more favourable appearance of the balance is far too great to be accounted for by the accumulation of surplus profits in so short a period of time. These accounts of stock by computation may both be right. It is certainly desirable

desirable to be able to account for the difference by a regularly balanced account, showing what occurred to produce it in the intervening period.

21. Did you inquire whether the principle of computation in 1813 and 1815 was the same?—I have no means of ascertaining that point. I apprehend it must have been the same, but I can only judge from what appears on the face of the printed statements laid before Parliament.

22. Do you not know in what items, either in the debtor or creditor side of the account, the principal difference appears?—In the accounts of stock by computation previous to the commencement of the present charter, the commercial debts and assets were not separated from the territorial; the results only, therefore, can be taken as the points of comparison.

23. Are we to understand that you saw nothing in the commercial profits of the Company that could warrant so great a difference as five millions, while the surplus revenue was only 100,000*l.*?—No; and hence the necessity of showing, by a regularly balanced account, in what way so extraordinary a difference was produced.

24. Have you looked at the commercial accounts laid before Parliament; there is one showing the profits from 1813 to the present time, and the account balances as nearly as possible with the sums that the territory owed to the commerce?—I think that statement commences in the year 1814, not 1813. In the account of stock by computation for 1814, the amount of commercial property is stated to be 17,482,521*l.* In the account of stock by computation for the following year, 1815, the amount of commercial property is stated to be 20,302,764*l.* These two amounts may both be very correct, and I have no reason to suppose they are not so; but it would be very desirable to know in what way the commercial property had increased in the course of one year to the extent of 2,800,000*l.* and upwards. In 1813, the commercial property was not separated from the territorial; the year 1814 was the first in which that separation was made. There is therefore no means of comparing the commercial property in 1813 with the commercial property in 1815.

25. You have found nothing in the accounts you had before you to explain that difference?—No. I understand that a balance statement is in the course of preparation at the India House, which it is likely will clear up all doubts and difficulties. All that is wanting is a balanced statement of accounts.

26. Have you seen a letter dated the 9th of February, addressed by the Board of Control to the India House, requesting certain statements?—I apprehend I have; but I am not sure as to the date.

27. Is this the letter [*handing it to the witness*]?—I have seen this letter.

28. Have you also seen this [*showing another*]?—Yes.

29. Do you conceive, if the accounts therein required were furnished, you would be able to make up a series of accounts in the manner you have stated to the Committee?—I think I should.

Jovis, 23^o die Februarii, 1832.

THOMAS HYDE VILLIERS, ESQ. IN THE CHAIR.

Holt Mackenzie, Esquire, called in; and Examined.

30. IN what year did you go out to India, and what public situations have you successively filled up to the period of your leaving it?—I went out in the year 1808, and after being about a year in the College, I was attached to the Sudder Dewany and Nizamut Adawlut. In that court I was employed first as an assistant, then as a reporter of civil and criminal cases, then as deputy registrar and translator of the Regulations into the Persian and Bengalese languages. From that office I was appointed Territorial Secretary to the Government. In 1826, I went up to the Western Provinces, as Secretary to the Governor-general. I remained about 20 months in the interior, for a considerable part of which I was separated from his Lordship, being appointed a supernumerary member of the Board of Revenue; and during the whole time, it was specially made my duty to communicate with the local officers of Government, upon the subject of the internal administration of the country,

Mr.
James Pennington.

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country, and particularly regarding the settlement of the land revenue. I have visited most of the districts of the Western Provinces, and Benares and Behar, but I never had charge of a district. During the period for which I held the office of Territorial Secretary, I was a director of the Bank of Bengal, a member of the Mint Committee, of the Committee of Records, of the Committee of Public Instruction, of the College Council, and of several temporary committees, which probably I need not mention.

31. Were you at the College in this country?—I was.

32. For how long did you fill the office of Territorial Secretary in Bengal?—For about 15 years.

33. What are the duties of that office?—The office was divided into two branches. In the financial branch, it was my duty to conduct all the correspondence of the Government relative to matters of finance. I had chiefly to correspond with the Accountant-general, but also occasionally with other officers, and with individuals regarding the public loans, or other questions of finance affecting individual interests. I had likewise to concert with the Accountant-general the means of raising funds necessary for the public service, and generally to offer advice to the Government upon financial questions. In the revenue department, my chief duty was to correspond with the several Boards who superintend the different branches of revenue, and to concert with the Boards the means of improving the revenue, or the law relating to revenue. On particular occasions I had also to correspond with individuals; and all petitions to Government on matters relating to the revenue were received by me and disposed of under the orders of Government. I should perhaps explain, that for almost the whole of the time during which I held the territorial office, it embraced the whole of the land revenue, salt, opium, customs and the excise, in fact every branch of revenue except the post-office. Subsequently there has been a new arrangement of duty, and the excise, stamps, customs, salt and opium have been transferred to the general department. It was the duty of the Secretary, in regard to all charges belonging to his own department, to give his opinion as to whether they should be admitted when new charges were proposed, or new establishments recommended by the different Boards. With regard to the charges in the other departments, he had no distinct responsibility, and no power of control; and his being consulted in regard to such charges depended chiefly on the personal discretion of the secretary of the department, and the degree of familiar intercourse which might pass between them. Latterly, the Government having resolved on the appointment of a financial committee, with a view of a revision of all the establishments, it was the duty of the financial secretary to submit to the Governor-general his views of the best means by which he thought such a revision in all the departments could be effected. The resolution constituting a financial committee of revision, and prescribing their duties, was drafted by the secretary as a part of his duty, submitted to the Governor-general in Council for his approval, and, as approved, put on record. The financial secretary was also *ex officio* director of the Bank of Bengal, which is partly a government concern, and partly maintained by private subscription; and, if elected by the directors, he was also president, but not necessarily so. During a part of the time I was president. For the greater portion, the Accountant-general was president. He is also *ex officio* member of the Mint Committee. Of the Finance Committee above-mentioned, I was a member by a distinct appointment, as may be seen from the government resolution.

34. Have you read the Financial Accounts submitted to the House of Commons by His Majesty's command, in February 1830?—Yes.

35. Particularly Nos. 1 and 2, with the appendices and explanatory statements given by Mr. Melvill on the 7th June 1830?—I have examined those statements.

36. Do you consider these accounts, as explained by Mr. Melvill, sufficient to enable the Committee to obtain a complete view of the financial transactions of the East India Company during the period in question?—They do not seem to me sufficient for that purpose.

37. In what are they defective, and how does it appear to you the defect may be best supplied?—The statements submitted by Mr. Leach are abstracts of those furnished to Parliament annually. I should say they are statements, not balanced accounts. They appear from Mr. Melvill's evidence to require very considerable adjustment, in order to make them show accurately the revenue and charges of the Government; and in regard to one item of this adjustment, which Mr. Melvill has added to the charges of India, viz. 1,300,000*l.*, being the amount allowed as due by His Majesty's Government, in liquidation of old demands of the Company against

against the Crown, and applied with a sum actually advanced from the home treasury to the discharge of the debt due to the public, I apprehend there is some inaccuracy. It seems to me that that sum cannot be correctly entered among the charges of India, in a statement purporting to show the deficit or surplus of the territorial revenues.

38. Do you mean the adjustment of the military balance by the commissioners, of which Mr. Lushington was one?—I do; I forget the date.

39. In 1822, was it not?—I believe so; it was a compromise between the Company and the Crown; and in regard to that part of the transaction, I should apprehend that the proper charge against the territory would have been the amount which India had demanded from the Crown, as money advanced to it, minus the sum which the Crown admitted. Supposing, for instance, that the Indian Government had advanced 2,000,000 *l.* to the Crown of England, and that the Crown objected to 700,000 *l.* of the charge, but admitted the 1,300,000 *l.*, it strikes me as clear, that the Company having advanced 2,000,000 *l.*, and the Crown only having admitted the propriety of the advance to the extent of 1,300,000 *l.*, the 700,000 *l.* advanced, either without authority, or without vouchers enabling them to establish the authority, must be written back as a charge upon the Indian revenue, and no longer stand as a supply to London. Therefore, I apprehend, the proper mode of bringing the 1,300,000 *l.* to account was, to have treated it as a receipt from India, and to have set against it all charges made by the Indian Government against the Crown, on account of which it was received, writing back the balance in the account of Indian revenue and charge, since any excess in the sums for which India credits itself in the London account, beyond what the London branch recovers, must fall upon the revenues of India like any other loss; and any excess recovered on account of old claims should similarly be added to the revenue. I observe no attempt, in any part of the papers submitted to the Committee, to make such an adjustment of the account between India and London, or to show how far the charges made by the Company and their government in India against the Crown have been liquidated by the Crown or not. That seems to me to be a fatal objection to the Committee's admitting the sufficiency of the account; and I consider it inaccurate to place amongst the charges of India, under the head of revenue and charges, sums paid in liquidation of debt. The question put to Mr. Melvill, I should observe, and his explanation, was directed to the point of showing whether the revenues were sufficient to meet the charges, or in what degree they were deficient. It is to that point I now particularly direct what I am saying, in stating the inaccuracy of bringing the sums in question among the charges of India. The mode of adjustment will not affect the amount pending between the Company's commercial and territorial concerns; because, if the Company advanced money from the commercial funds to liquidate territorial debt, it will still be equally a claim by the commercial against the territorial department: but the payment of the debt due to the public is a separate concern from the settlement with the King's Government, though simultaneously adopted, and should, I conceive, be separately exhibited. And it appears to me erroneous to add the sum advanced by the commercial department, in liquidation of territorial debt, to the charges of India; because what we disburse in payment of debt in India is never included among the charges of the year; it stands in a totally separate account, the debt account. If it were included among the charges of the year, it would necessarily mislead the Committee in calculating the sufficiency of the revenue to meet the charges. The sum disbursed in repayment of the loan of 1812, ought therefore to be brought under the head of debt, not of revenue and charge.

40. In one year, 1,300,000 *l.* more was put to the charges of the year than ought to have been placed to that particular head?—I apprehend that the charges have been erroneously enforced, but the precise sum can only be known by an adjustment not yet exhibited.

41. Does your observation apply to the insertion of the sum of 1,300,000 *l.* under the year 1822-3, in Mr. Melvill's adjusted statement, to be found in page 8 of the 2d Report?—Yes, to its being precisely that sum. There is further an objection to the accounts in question, to be drawn from the statement which Mr. Melvill makes, that upwards of 885,000 *l.* remains to be accounted for as an increase on the territorial assets. Now I should conceive it quite impossible for the Committee to receive any such explanation for so large an item, there being no account brought forward to show that the increase of territorial assets corresponds with that sum; nay, the fact being before them, that the increase of cash in hand

in India is greater than the sum so stated to be accounted for. Therefore, I apprehend that Mr. Melvill, in stating this account, has not intended to state an adjusted balance, but merely the difference between the receipts and disbursements specified by him, and that he mentioned the increase of assets as a probable cause, but not as an ascertained cause. My notion is, that an account fit for the Committee to receive ought to be completely balanced to a shilling, and that until accounts so balanced are submitted to the Committee, it must be regarded as insufficient for its purpose. I regard the whole of these statements as incomplete on this ground; but I believe every thing that is necessary will be done when the gentlemen at the India House furnish a complete reply to the questions put to them from this office, which I have had occasion to see.

42. In India, all your accounts are balanced to a shilling?—Yes. I do not imagine there ought to be any difficulty in furnishing every thing necessary.

43. Is there not a difficulty in the transfer of treasure from one portion of India to another in keeping exact accounts, or do you make up your accounts, as you now say, balanced to a shilling?—There will then remain a specific sum under remittance. For instance, Bengal will debit Madras with the sum which has been sent or remitted: if that sum is at sea, there will be an excess of debit by Bengal to Madras, and a minus credit by Madras: that does not affect the balance of account; it leaves an asset afloat; the answer simply will be, there is such a sum under remittance. It is very possible that a large portion of the 885,967 *l.* may be similarly accounted for; but it is surely not enough to say, that the sum remains to be accounted for as an increase to the territorial assets since 1814, without showing distinctly that it is so. With the highest respect for Mr. Melvill, I apprehend that there must be some inaccuracy in the reply, and that it must have been given merely as it occurred to him at the moment, not as the result of a reference to actual accounts. I hope I may not be considered as in the least doubting the accuracy of accounts kept both in India and England; my present impression is quite the contrary, that they will be found to be kept on the strictest principles; but the statements hitherto submitted to the Committee and the Houses of Parliament do not seem to me to answer the purposes which the Committee must have in view, in submitting a complete statement of the financial transactions of the East India Company.

44. From the situation that you held, of course all the despatches which went from this country in the financial department, where the adjustment was generally made between territory and commerce, came under your review; did it appear to you that the view taken in this country was correct?—In all matters of account, I think it was generally correct.

45. If it had appeared to you that there was any part of it incorrect, it would have been stated probably to the Home Government in answer to the financial despatch?—The usual process in these matters was to refer them to the Accountant-general; the Government had not the accounts, and did not profess to be accountants. The offices of account were quite distinct from the office of territorial secretary; and the adjustment of matters of account were generally left to the Accountant-general.

46. But from your explanation when you first came into the room, it was thought you had paid more minute attention to finances and the detail of them, than was supposed you could have done from your territorial occupation?—I had no interference at all with the detail of keeping accounts; the Accountant-general's office was quite distinct from mine; but if he required an order from Government as to any particular point, I was the organ of communicating such order. In several cases, especially in adjustments between Bengal and the subordinate presidencies, there were questions as to how certain items should be charged; these he referred to Government, and I was the organ of communication; until he put the question, the Government could not, and did not, exercise any control in the mode of keeping the detailed accounts. The books containing them were transmitted to England without being read or looked at.

47. But the Government abroad considered themselves answerable for the correctness of the views taken by the Accountant-general?—They were answerable certainly in selecting a proper man, and for views brought to their knowledge and sanctioned by them.

48. Have you seen the financial letters from this country of 1827, 1828 and 1829, where a general review of the financial state of India was taken?—I must have read them before I left Bengal; I have not read them since then.

49. Have

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49. Have you a sufficient recollection of their contents to say whether you concurred in the view taken in those letters or otherwise?—At the present moment, I do not recollect the points sufficiently to say that there was any view particularly from which I dissented.

50. Have the territorial revenues been sufficient to meet the territorial charges during your stay in India?—No, there has been a large deficit.

51. How far have they proved deficient?—I beg to refer to Mr. Melvill's statement, as more accurate than any I can pretend to give, with the exception of the 1,300,000 *l.* item.

52. What are the causes to which you chiefly attribute the deficiency?—An increase of charge in all the departments.

53. With the exception of the 1,300,000 *l.*, have you examined, and believe to be correct, the statement of Mr. Melvill with respect to the territorial revenues and charges?—As I have already observed, without more detail, and having the accounts accurately balanced, those especially between London and India, I could not say I am satisfied they are accurate; my belief that they are so must rest on the high opinion I have of Mr. Melvill. I think he is mistaken in regard to the mode of adjusting the accounts of that transaction. That is the only point I can lay my finger on.

54. Without answering for details of figures, are you of opinion that the account is drawn up on proper principles as to the distribution between territorial and commercial?—I see no other thing to object to; upon the understanding (and the point is beyond my competency to determine) that the interest of the territorial debt is properly charged to territory, as seems to have been long settled; that of course is an important subject.

55. Are you aware that in the advances made to commerce from territory, any interest account was kept?—I believe no interest is charged in any of these statements.

56. Does it appear that Mr. Melvill makes any charge of interest on the advances from commerce to territory?—It would appear not; and in saying that his statements are correct, I should further explain, that I do so supposing that the principles of adjustment settled between the Board of Control and the Court of Directors are admitted to be proper. If I were to presume to give an opinion as to the rate of exchange, I should say that the orders of the Board were unreasonable in fixing the rate as they did. It is a very important item; for the commercial branch would appear to have a large demand against territory on account of remittance, as it has also possibly on account of interest.

57. Will you state your opinion as to the practicability of bringing the territorial charges made at home and abroad within the territorial revenues?—My impression is that they may be so brought, but at the same time it would be very bold to speculate with certainty on a result at variance with that of the past, and depending on the management of so large an empire.

58. Do you think it probable that the deficiency of 800,000 *l.* estimated by Mr. Melvill can be supplied?—I think the reduction ordered by the home authorities and the local government, in addition to those for which he has taken credit, will be sufficient to meet that, if no new charges arise which are not estimated.

59. Do you consider it necessary or expedient that India should bear upon England for any pecuniary aid?—The necessity of course will depend on the sufficiency of the Indian revenues. With the impression that these revenues ought to suffice for the necessary charges, I should say it is not expedient to allow the local government to hope for any assistance from home, because I apprehend there is always great danger of all governments spending as much as they can easily get.

60. You include the advances in England in territorial account?—Yes; I include the whole concern at home and abroad.

61. What is your opinion of the Indian empire continuing in that state of quiet as to encourage probability of an estimate as to expenditure being correctly stated for some years?—The danger of internal insurrection is one of the items of uncertainty in any prospective calculation. But I believe that the extraordinary expenditure incurred in putting down internal insurrection has been small. Our military expenses beyond the fixed establishments have been chiefly incurred in foreign wars; and presuming good government, I should not make any great allowance for its internal disturbance; at the same time, it is a very important item, and not to be overlooked. In Bengal Proper there is little chance of insurrection. In the

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Western Provinces there is serious danger of insurrection only from bad government. On the Bombay side of India, there is much less certainty of internal quiet. The Mahrattas may be there regarded as a conquered nation. Elsewhere we have, generally speaking, displaced governments, themselves strangers. The Rohillas may indeed be regarded as a band of conquerors whom we conquered; but they are not very numerous; and all military and unsettled tribes are likely to become more quiet every year. I do not therefore, as already stated, apprehend any serious danger of insurrection in any portion of the Bengal territories. Nor in the Madras territories proper am I aware of any great cause of alarm, provided the Northern Cirkar men are well managed, and the people of the other provinces are not oppressed with severe exactions. If the question also includes the protected states, a larger allowance must be made for occasional disturbances. I think our relations with these protected states are not very satisfactory, and not calculated to lead to good government. Now just in proportion as good government fails, is the chance of insurrection. Of all people in the world, I think the people of India are the easiest governed.

62. Has not Bengal and Orissa been free from insurrection for 40 years and upwards?—I do not remember any insurrection within that period in our old possessions. There were disturbances in Cuttack, which forms part of Orissa, but the insurrection there I conceive to have been occasioned by great misgovernment; for things were exceedingly ill-managed in the revenue department, and the judicial administration was abominably bad. I do not remember, as far as Bengal is concerned, any disposition to rebellion on the part of the people, where the fault was not decidedly on the part of the Government.

63. Then it is your opinion that bad government can alone be the cause of rebellion?—Certainly so: speaking of Bengal, and excluding times too distant for any financial estimate.

64. Do you not consider that the possible event of war with the frontier powers or territories might also derange the calculation of the revenue of India founded on a peace establishment?—It will most essentially derange any calculation which does not provide for considerable reduction of debt in time of peace. Unless the Government have a large surplus applicable to the payment of debt during peace, any calculation founded on the sufficiency of the means would be utterly falsified by the occurrence of war. The chance of war seems to be diminished very greatly by the arrangements of Lord Hastings. There is now no enemy, properly so called, within the whole peninsula of India. We formerly had a territory not only surrounded by, but nearly surrounding, an hostile country; the Mahrattas and Pindarees being in the centre: and to the north-east, a large portion of the extensive range of hill-country which was occupied by the Goorkhas, is now in our possession. In the Burmese war, I hope we derived a sufficient lesson to avoid war again in that quarter; or if unhappily we are driven to it, that it may be attended with less expense. On the north-west, a line drawn from about Loodiana on the Sutuleje to Scind, is the only hostile frontier that now remains; and to the north-east and east we have little, I think, to apprehend. With respect to the Madras Presidency especially, it is to be observed that, excepting the sea-shore, in case of war with a maritime power, they have not a single mile of frontier to guard against an external enemy; their force in the Nizam's territory, like that at Nagpoor, being for purposes of internal quiet. On the whole, I am of opinion that the danger of a war is much diminished; at the same time, it would be utterly improvident not to make provision for the discharge of debt in time of peace; and I should think India insolvent if it had not the means of doing so.

65. Suppose any internal insurrection took place in the Nizam country or Nagpoor, or any of those protected states, would not the movement of the troops necessary to bring the country to subjection be expensive?—It certainly would be expensive, but I do not apprehend any very large expense.

66. Would it not depend on the distance you had to move your troops?—Yes; and also on the nature of the insurrection to be put down.

67. From the casualties of this kind within the last 20 years, may not some reasonable estimate be formed of the allowance you ought to make for putting down such commotions?—I am afraid not a very accurate one. I think the future expense ought to be less than the past. At the same time, very much must depend on the practical decision of the grand question of interference or non-interference in the concerns of the protected states. If, neglecting the people, we attend too much to

to our supposed obligations to the princes, there will, I conceive, be great danger of internal commotion. But it is monstrous to suppose that the British Government can long continue to keep on their thrones foreign princes, like the King of Oude for instance, and at the same time allow them to tyrannize over their people.

68. Your opinion seems to be against our interference with tributary states, or entering into engagements such as that you have alluded to?—I do not think it desirable to enter into such engagements. But the thing cannot be undone; and in the case of Oude especially, the whole ceded territory was given as a consideration for our protecting it. At the same time, as the Marquis Wellesley clearly foresaw the necessity not only of interfering with advice, but compelling that advice to be observed, and that if we held the sword for the sovereign, we must constitute ourselves the judges between him and his subjects, there is, I think, no difficulty as to our right of interference in this case. But we must, I apprehend, very decidedly interfere to compel him to do justice; it being quite hopeless to expect he will do it of his own accord.

69. Is it possible for any government to maintain the civil government for any length of time and not have a power over the army?—I think the degree of control might be so limited as to leave the sovereign still very great authority over his country, supposing him to be at all fit for it; but I am afraid that the character of the present King of Oude is such as totally to unfit him for the exercise of any real functions of sovereignty; and the same remark would apply to the late king. In the case of the Nizam, perhaps we went too far in maintaining a minister against the will of his master, though there too, I believe, little was to be expected from the prince; and where the prince is a Mussulman and a stranger, a large degree of interference seems to be unavoidable. The case may be different with a prince governing people of whom the majority are of his own tribe. Thus in Bhurtpore, the Raja will probably manage his little country as well as any English judge, with very little interference. The Rajpoots are an exceedingly troublesome race, and it is not easy to say what may be done by interference or non-interference. In the case of the Mussulman princes of Hyderabad and Oude, I consider the case to be clear. We must interfere to compel them to do justice.

70. Supposing a war to break out now, do you suppose it would require more than a month to put the whole down?—I should think a short period and small force would suffice for any disturbances likely to occur in the dominions of those princes whom we protect.

71. Are there not instances in which you have been guarantees for their debts?—We were guarantees in the case of the Guickwar. We interfered at Hyderabad so as to pay off debt, and there is a question about the claims of certain bankers against the Oude state, which has not yet, I believe, been decided. In speaking of the possibility of meeting the charges, I should rest more on the latest estimate from Bengal than on any opinion of my own. Here is an estimate for the year 1830–31, which ends in April 1831, prepared as late as March 1831, which shows their expectation of a net surplus in India of one crore, eighty-five lacs, twenty-one thousand, seven hundred and ninety-five rupees. The charges appear to include stores, and therefore the surplus is to be set against the other home charges, which may be considered about a million and a half sterling, exclusive of stores. The surplus stated would be, at the rate of 2s., 1,852,000*l.* There is a receipt of 6,00,000 rupees from Ava; but in the proper revenues of this year I do not see any thing that may not be reckoned upon in future, except the opium; that branch of revenue, it must be acknowledged, is very uncertain. Supposing it to be maintained, I should consider this estimate to afford good ground for calculating on a satisfactory state of things hereafter; for there are many reductions actually resolved upon, of which the effect cannot be fully shown in it; and I am of opinion there are means, especially by the substitution of native for European agency, of effecting reductions to a considerable extent beyond what the Government have resolved upon.

72. State your opinion of the causes of the uncertainty you consider to attach to opium revenue?—The opium revenue depends entirely on the demand in China; and we have now no monopoly of the supply to China. It can be supplied to a certain extent from Turkey, which is quite uncontrolled; and also from Malwa, subject to a very inefficient control; but at the same time it can be manufactured at Bengal considerably cheaper than at Malwa; and as the demand of the Chinese has outstripped all expectations, I see no sufficient reason for anticipating a failure, although

although it must be admitted that a calculation resting on the demand of a foreign market, of which foreign market we have not the exclusive supply, cannot be matter of certainty.

73. In your letter, you have stated an opinion respecting the transit duties payable in India; we wish to ask your opinion generally as to the result of withdrawing all these transit duties within the limits of the Company's territories?—I think in the first instance there would be a considerable sacrifice of revenue; but if other customs were substituted, I conceive a great part of the immediate loss might be made up, and that it ultimately would be very advantageous to the country.

74. How would it be made up?—At Calcutta, as well as at Madras and Bombay, the customs might be considerably added to, by additional duties on various articles of import.

75. Imports by sea?—Yes.

76. In your letter, you observe there are many minor sources of revenue which are attended with a large per centage on the collection?—Yes.

77. Are you of opinion that it would be for the general advantage of the country to get rid of these minor items of revenue, the collection of which is so expensive?—If the question refer to the transit duties, I should say, that to these the objection is not so much the charge, although that is a serious objection, but the great annoyance they occasion; the separation of different parts of the same country by an arbitrary line of custom posts; the risk of putting a stop to a good deal of trade that might be profitably carried on from province to province, to say nothing of the increase of cost upon every thing that is brought to Calcutta from a distant province, in consequence of its having to run the gauntlet of 20 or 30 custom-house stations, at which it is impossible to suppose that money is not often taken, and at which delay and vexation are at any rate certain.

78. Have you any observation to make on the Abkarree collection, which you allude to in your letter as being attended with uncertainty and expense?—I think it is a growing revenue and not objectionable, although collected at a considerable expense.

79. Has it not generally been the direction of the Home Government to abolish the transit duties as soon as the Government in India possibly could carry it into effect?—I do not immediately recollect any general order of that kind. In regard to particular articles, there was such an order: cotton and cotton piece-goods were proposed to be exempted; but the Government at home expressed itself favourable to the scheme of getting rid of transit duties, if an equivalent could be secured.

80. You have stated that you think there would be a great reduction from employing native agency?—Yes.

81. In employing native agency, are you not obliged to employ a greater number to perform the same operations that Englishmen do?—No; I should apprehend the reverse; for instance, I think native judges are able to get through much more business than English judges.

82. At this time in Bombay there has been an enormous increase in the expenditure for native agency; is the deficiency of agency generally the cause, or what?—Part of that increase must, I think, be nominal; probably from the allowances to some inferior revenue officers being brought to account, which were formerly deducted from the revenue; but as the English establishment at Bombay could not be reduced at the same time that the natives were entertained, it is very likely there may be an actual increase. The effect of the arrangement at Bombay, when the supernumerary Europeans are got rid of, will, I doubt not, be a reduction of charge.

83. How far, in your opinion, can native agency be employed without the control of England?—I do not think that it can possibly be employed without control; the question strikes me to be precisely one of degree. I may illustrate it in the case of the judicial department. My notion is, that to set an Englishman in the midst of a million of people, and desire him to decide individual cases, is a system that must fail; he must either deny justice to the people by deciding one out of a hundred requiring decision, or he must decide in a most superficial manner. The same judge, with native subordinates, may, with very little comparative expenditure of time, sufficiently control an establishment of native judges to ensure a much better administration of justice than if he was to be himself employed in the immediate decision of individual cases. The true principle seems to be, that the English functionaries shall do nothing by themselves which they can make natives do; a judge of a district should be considered as governor of the district. In the case of appeals, nobody should be entitled of right to require him to go further into the investigation

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investigation of facts than may be necessary to prevent wilful wrong: he should have a full discretion of ordering new trials; of referring from one judge to another; of making two or more judges sit together when he distrusts one; and of referring cases to the people themselves for decision by arbitration; he should constantly keep in mind, that his proper duty is to make the people do their own business.

84. In talking of employing natives in the specific departments of government, do you mean the financial as well as judicial departments?—In the revenue department, certainly; especially in the collection of the revenue of settled districts. I conceive that in Bengal the duties of a collector, in so far as concerns the mere realization of the government demand, ought not to occupy the European functionary above an hour or so in the day, if the natives are properly paid and properly trusted. I believe we might have native collectors who would collect the revenue just as well as it is now collected.

85. And you think they might be trusted?—Subject to the control of an English officer. They now in fact do a vast deal of business, which their superiors appear to do. Often, even when reports are called for by the Board, the matter being to be found by a reference to the records, is prepared by a native, while the English gentleman makes a translation of what the other states.

86. In fact, it is a mistake to suppose we could govern India without the natives?—Yes, it is merely a question of degree; I conceive that all English officers have been employed in detailed duties to an extent uncalled for by the circumstances, and which will be still less necessary if the natives be improved, as they are capable of being improved.

87. The result of your opinion is, that the finances of India would be much improved by the employment of natives?—I think so; I think natives are quite equal to Europeans in intellect.

88. Does any particular mode of education occur to you as a preparatory step?—The plan of the existing colleges seems to me to embrace every necessary education; but I should be glad to see more seminaries established by Government; one in every provincial town, for instance, and the system may doubtless be improved. But with the existing system and the existing establishments we may have a large supply of men admirably fitted for business.

89. In your letter you have stated certain advantages which you think would be derived to India, by encouraging the settlement of Europeans there; will you explain in what way you think the finances of India would be improved by such settlement?—I consider that every European who settles in any part of India must add something to the revenue; for he will be a profitable consumer, that is, he will consume articles capable of taxation. He will, I should hope, greatly improve the means of production, thereby adding largely to the general wealth of the country. His example will introduce among many of the natives some European habits, which are habits of greater comfort and expense than native habits; and without any change of habit in the people, the miscellaneous taxes must increase with the increase of wealth, and the more abundant production of the objects of internal and external commerce. In the unsettled districts, every improvement in agriculture must add to the land rent of Government. To introduce irrigation where it is not now practised, is to render highly productive land that is now comparatively unproductive; and since the rent of all waste land not specially assigned belongs to the Government, there would be immediately, or at no distant time, an accession of revenue in all cases in which such land might be brought under tillage. I believe intercourse with Europeans leads to indulgence in the use of wine and spirits, which, though it may be lamented on the score of morals, must be beneficial to the revenue; their servants are generally better clothed, and the articles of clothing being subject to taxation, that would increase the revenue, and they would be better housed.

90. In that part of India where the greatest number of British residents are found, has there been any increase among the natives in the indulgence of English tastes, fashions and habits?—Judging from Calcutta, there has been, I think, a very marked tendency among the natives to indulge in English luxuries; they have well-furnished houses, many wear watches, they are fond of carriages, and are understood to drink wines.

91. Are there many branches of native industry or commerce which you think might either be extended or introduced by Europeans with capital settling in India?—As far as my judgment goes, the manufacture of sugar appears to be very ill

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conducted in India, and the land fit for sugar-cane to be very abundant. I should conceive the produce of sugar might be extended by a better mode of manufacture, and, independently of foreign export, there is a very large demand for sugar in India, which would be extended in proportion as it is obtainable. In indigo, I have understood it takes at an average more than 40 bugahs to produce a maund of indigo; and the extent of country occupied by the indigo-planter strikes me as being excessive; but not being a farmer, nor having gone into details, I cannot speak authoritatively. The cotton of India is bad, and from experiments lately made, there is no doubt, if good seed was procured, that beautiful cotton might be produced abundantly. Tobacco might be even more probably improved.

92. Is not the result of your experience, that the commerce of the country, and consequently its finances, or the power of raising a revenue, would be improved by the accession of Europeans as settlers?—I should think very greatly, both as they would produce articles of consumption and commerce more abundantly, and as it would introduce better habits.

93. Are you aware of any danger from the residence of Europeans, likely to counterbalance the financial benefits you have stated were likely to arise?—My own opinion is, that instead of danger, there would be additional security from any number of Europeans likely to visit India.

94. How would there be additional security; would they become agents of Government?—I think most probably they would be very useful agents of police. They would be centres of information we now want, and would have great influence over those connected with them. They would be bound to us by a common feeling, except at a very distant period, if such a period ever should arrive, which I do not think it would, when they would be sufficiently strong to be independent of this country. There is a financial question I ought to have noticed, I mean the interest of money. The lowest rate of interest paid by the cultivators in the Bengal part of India is two per cent. per month; in general, the agriculturist pays much more, being under an agreement to give their crop to the money-lender at a low price. My impression is, that an European would be able to raise the necessary fund at a much lower rate. Natives of good credit do not charge more than six per cent. per annum in their accounts current; many are willing to take five per cent. from the Government.

95. In these cases of the loans, who are the lenders?—Generally village money dealers, who combine with the business of money-lending that of being the first purchasers of sugar or grain.

96. Do you suppose that natives of Great Britain indirectly, although prohibited to do so directly, advance money to the landholders on security of their estates?—I think some do.

97. Do you think it takes place largely?—I apprehend not very largely.

98. If Europeans were allowed to become purchasers of land, might or might they not in that way raise money from the natives on mortgage of their estates, upon which cultivation of various articles might be carried on in India, if they were so admitted?—There would be no difficulty in raising money on mortgage.

99. Would not that be an important means of increasing the financial powers of the country on any emergency, when local taxes might be requisite; would not the stamp revenue be improved?—The wealth, and consequently financial powers of the country, would certainly, I think, be increased. As pecuniary transactions extended, the use of stamps would no doubt extend; in short, there might be every thing probably in India that there is in England.

100. You have stated an opinion respecting the facility of collecting the revenue of lands that have been permanently settled; is it your opinion that that should be extended throughout the country?—Not that a settlement should be made in perpetuity.

101. What is the result of your observations as to the increased powers of taxation in those places where permanent settlements have been established, from others where a temporary settlement exists?—Bengal produces very largely in the miscellaneous branches of revenue; but I do not apprehend that, in order to have the same result in the Western Provinces, a perpetual settlement is necessary; a light assessment with long leases would have the same effect.

102. To what extent of lease do you consider the interest of the proprietor would procure a proper cultivation of the soil?—I think leases of 20 or 30 years would be sufficient.

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103. Do you see no risk, from the latter four or five years of the leases, of the revenue being endangered, or would you renew before they expired?—I would renew before they expire; but I would also make conditions so as to ensure the party such a share in the benefit of any improvement he might make, as would stimulate exertion, and make his interests coincide with those of Government. The Government is indeed entitled, by strict law, to the whole rent, subject only to a right of occupancy: but this right may be partially conceded without establishing a permanent quit rent; and the greater part of the Western Provinces being held by cultivating yeomanry, it seems only necessary to provide that they shall, at the end of their leases, share in any excess of revenue which may be demandable under the law, to make it their interest to push cultivation to the utmost. Just as in this country, if a landed gentleman were to give the old farmer a preference of 5, 10 or 20 per cent., that preference would be sufficient, without any stipulation as to crops, to induce him to push his agriculture to the utmost. In India, if we are not bound to do so, we ought to place ourselves under such an obligation, in order to give a value to landed property, and that the owners or hereditary occupants may have an interest in increasing the net rent. Without sacrificing the whole of the improving rent of the country, or confining the government demand to a fixed perpetual quit rent, it occurs to me as easy to give the cultivators such a share as will stimulate them to active exertions, and prevent anything like waste.

104. Would it not be of importance that the government of India should recognize the lending money on mortgage by British residents to natives, in order to promote good cultivation of the soil?—I think essentially so. This right would naturally follow, from admitting that of purchase.

105. Would not leases of some duration be necessary, in order to encourage the advances of capital on the security of the land?—Certainly, leases of some duration, and, what I conceive to be essential, a distinct right in some portion of the rent, which may be left to the owner of the land, without limiting the government rent to a fixed sum. Between the extreme case of taking the utmost rent, and that of receiving a small quit rent, many intermediate measures might be adopted. In Bengal we have yielded too much, even if it had been given to the right men. Of various minor estates rented to farmers, under the Court of Wards, it appeared that the rents receivable on account of the zemindars were more than twice the amount of the government revenue; and, generally speaking, I should think that in our permanently settled districts, the zemindars, or persons who have contracted for the payment of the government quit rent, have a net income considerably exceeding the revenue of Government.

106. In a financial point of view, you have stated, that by the increase of commerce, improved cultivation of soil, and other branches, the revenue might be increased; would not an expeditious mode of having justice, or of having the law of debtor and creditor speedily settled, contribute much to improve these branches of industry you have mentioned?—I think it would reduce the interest of money, which would be an essential improvement, and still more, add to the readiness with which people would lend money.

107. Is it not one of the great difficulties in the procuring of capital, the uncertainty and delay in procuring payment?—It must operate disadvantageously; the general impression being that our system is ill adapted for the prompt recovery of debt; but as far as concerns the great body of the people, the more immediate cause of the high interest they are subjected to, is their poverty and consequent bad faith. All people who are poor are faithless in the payment of debt.

108. Is it your opinion, that in proportion as Europeans could be induced to settle, the good faith of commercial dealings would extend?—I should hope so.

109. What are the classes of Europeans that you now propose should settle in India?—The classes I immediately contemplate, in addition to those already established, are men of good education and of steady habits, with little or no capital beyond that which would enable them to go to India, chiefly those who have friends or connections there. I am not very sanguine as to the introduction of capital into India by direct remittance, though it may be done to a certain extent by commercial speculators employing agents; but the freedom of settlement would, I think, have a most favourable effect on existing establishments. In the indigo factories of Bengal, the persons employed are often inferior in character to those who would have been employed if the system had been more liberal. It has become more liberal; but still there are frequently occasions in which the gentlemen

men who advance the funds for the manufacture are obliged to employ men whom they would not employ, if they could, without restriction, send home for any one they desired to employ. I should think that there must be many that in such circumstances would have found their way to India, young men who have been in the West Indies, or who have been educated as farmers, merchants or manufacturers at home, superior to the majority of those who are employed in the Lower Provinces; possessing practical knowledge of a kind to make them useful in India, and prepared by general education, speedily to acquire the language of the country; whereas of those who now manage indigo factories, many are men who went out to India in very inferior situations, and some born there, without good character or sufficient qualifications. What is wanted is superintendence and direction, with trustworthiness, in the conduct of agricultural and commercial concerns; and for this purpose there seems to be great scope for men of education, good character, and industry. Every European of suitable qualifications, character and industry, who landed in Bengal, if befriended and supported for a short time, would, I think, become a capitalist by force of that character and industry; at the same time, speculators from home might also send out capital.

110. Are you aware of any difficulty that now stands in the way of a person of capital, or character, or connection, being prevented from going to India?—I believe the admitting them is made a matter of favour. I do not think gentlemen in Bengal understand that they can with any certainty write home to have persons sent out to them; and although licences have been very much more liberally granted of late, I do not think any man at home feels himself entitled to claim permission to go to India, on showing that he is able to pay for his passage to Bengal, and has the means of living there. In all cases, I believe it is made a matter of favour to let settlers go out. My notion is, that instead of its being a favour to allow an Englishman of education and character to go to India, his doing so should be regarded and encouraged as an advantage to the country; and I apprehend that the utmost liberality on the part of any government will not entirely remove the objection to the restrictions existing, although it may very greatly remove it.

111. You are of an opinion that there ought not to be an indiscriminate allowance of Europeans to settle in India?—My notion is, that in Bengal they should be allowed to settle indiscriminately. Some might go, unhappily for themselves, and perish, but the length and expense of the voyage would prevent many from doing so; and I do not think it is part of the duty of a government to keep men from running such a risk, if they think it is for their benefit; and in so far as the people of Bengal are concerned, I see no sufficient reason for restriction. In other parts of India there may be particular reasons for a contrary course; the new conquests on the Bombay side, for instance, stand in a different position; the Mahrattas, as I have said, are a conquered nation; the people are still comparatively strange to us. There are many chiefs whose characters have been formed under preceding governments. In Bengal we did not conquer the people; we merely set aside a government as strange as ourselves. The Bengalese have been under our dominion for nearly 70 years. In the largest portion, and every body having been bred up under our Government, the people are comparatively familiar with our ways. There, generally speaking, I see no risk of preponderating evil; but before Parliament opens the whole of India, or of any presidency or province, it would be wise to ascertain from the local governments whether there are not particular tracts in which the settlement of Europeans should be restricted or prevented on political grounds. My own opinion, in regard to all the provinces immediately dependant on the Presidency of Fort William, is, that there need be no restriction. In the plains, particularly of Bengal, Behar and Orissa, which contain nearly 40 millions of people, there seems to be no reasonable ground of restriction except from motives of humanity towards the adventurers themselves, which I consider to be misplaced.

112. In one of your answers to the questions of the Board of Control, you have said that if Europeans of capital were to settle in India, they would produce the articles of agriculture cheaper than the natives?—I am not immediately aware that I stated the matter positively; I meant at least to put it as a point of inquiry, rather than as a positive opinion. At the same time, my impression is that cheapness would ensue.

113. You are aware that the habits of Europeans naturally, from the climate, are considerably

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considerably more expensive than those of natives under the same circumstances?—Certainly. It is only as superintendents that I conceive Europeans would succeed, not as labourers. But their superintendence, I think, would render the native labour much more productive; for although it is at present nominally cheap, it is exceedingly unproductive. Mr. Kidd, the Company's shipbuilder, considered, I believe, one European as equal, for his work, to six natives: it is a general complaint that the habits of the native workmen are lazy and irregular. But I have understood that at the establishment of Fort Gloster, in the neighbourhood of Calcutta, of which the proprietors hold an adjoining estate, they get labourers who remain fixedly with them, and who acquire superior habits of industry; and I doubt not, that by having a number of Europeans similarly settled, we should much improve the habits and condition of the native labourer; though physically he must always be inferior to the European.

114. You stated that the agriculturist pays at the rate of two per cent. per month for his capital, and that an European would give money on much easier terms. Are not, generally speaking, the zemindars, who possess our settled provinces, men of capital, who could carry the extension of agriculture to any extent they think proper?—A good many are men of capital, but many more are not. In general I should say, that, excepting rich men residing in Calcutta, the majority of the higher order of zemindars will be found to be spendthrifts, with no knowledge whatever of agriculture, and no care about it; thinking of nothing but extorting the utmost they can from the labouring tenantry. Such is my general impression of the character of the Bengal zemindars, not being themselves the owners of the land, but contractors for the revenue of land held by persons who claim a right of occupancy. There are doubtless exceptions.

115. What degree of education should you say they have generally?—The zemindars in the interior, in general, are very poorly educated. Those among them who are born to considerable estates have no very strong motives to educate themselves, or resist the temptations that beset them to indulgence in all kinds of pleasure. For the higher classes we have no situations of sufficient importance, to induce them to seek office from motives of honourable ambition. Indeed, the rank of office is not well assured to any native, and it has not hitherto been at all an object of ambition with the zemindars to enter into the public service. The responsibility of all offices open to natives is great, compared with the emolument; and the best candidates for office (many are men of exceedingly acute intellect) are usually very poor. Zemindars of rank generally avoid employment; and like most other men of rank, are too frequently given to vice.

116. State to the Committee what are the principal obstacles to prevent Europeans of character establishing themselves in various situations in India?—I think one great obstacle is, the necessity of applying for permission to the India House. It is partly a real difficulty, but operates still more to deter adventurers from apprehension of difficulty. No person now in Bengal can send for a young friend to superintend any new establishment. Another great difficulty is, they are not permitted to hold land. As India is an agricultural country, the refusal to permit them to hold land is a great bar, I think, to the extension of European adventure there. At the same time, I must say that my impression is, that it would be exceedingly difficult by any scheme, to get a sufficient number of Europeans to settle in India. But just in proportion as it seems difficult to get them in the desired number, it appears unreasonable to oppose any restriction to their going.

117. Is there any difficulty at present in the way of Europeans holding leases to the extent of 20 years?—Such leases can only be held avowedly under a resolution of Government, which imposes restrictions that have practically operated to prevent them from being taken to any considerable extent.

118. There was a period when the restrictions were removed, and the holding of land was opened to Europeans; did they take advantage of that period?—To a very small extent; the period was too short for the arrangement to have any effect.

119. What was it?—I think about a year.

120. When was it?—In 1828–29.

121. Was there any certainty of the privilege being continued?—I believe there was no certainty.

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122. Is not the state of the law, which permits any government to deport a man from the country, considered a very great obstacle to the settlement of Europeans?—I imagine it is in England; in India, I think most Europeans have practically learnt it is not a very serious obstacle. Upon those who have not had the experience of the general feeling of Government against enforcing the law, it may operate powerfully.

123. As the Company have the full landed revenue of the country, as every thing depends on the payment of that revenue, as the Government would immediately take possession of the land if that revenue were not paid, would it be possible for any individual holding land not in the permanent settlements, to borrow money on the security of that land?—In some of the districts in question leases have now been granted for 15 or 20 years, and no doubt money will be advanced on the security of that land. In places where it is liable to an annual varying and uncertain demand, it would be hopeless to offer it as security for money; but a 20 years' lease will enable owners of fields to raise money on their property. All depends on the limitation of the government demand.

124. Suppose that from the bad management of the farm, it pays merely the revenue of Government, or not so much, how would the person who has lent the money stand?—If the estate, on the security of which he made his advance, turns out good for nothing, he cannot recover his money from that estate, and he must probably lose his money.

125. In fact, the Governments in India, like the Crown in England, have a preferent claim over other creditors?—They must be first paid their rent.

126. The borrowing of money by cultivators of land; is that practised very extensively?—Very extensively, I may almost say universal.

127. Should you say that three-fourths or seven-eighths are cultivating with capital borrowed in this way?—I should probably say they were.

128. Do you include the money advanced by the Company?—I mean separately; it is not the practice of the Company to advance money to cultivators in the permanently settled districts of Bengal.

129. Exclusive of the transactions with Government, you think the proportion you have stated are cultivating the soil with capital borrowed at the rate of two per cent. a month?—Yes, I should suppose three-fourths.

130. What classes of persons are the lenders of the money?—Generally the village bankers, or those in small towns, who usually combine with the trade in money a trade in the produce; buying it in the first instance on advantageous terms from the producers.

131. Are they persons in easy circumstances?—Their circumstances vary; but they are generally, I believe, in easy circumstances; but it is not a profession that is very respectable. I never heard of wealthy bankers advancing to cultivators in Bengal.

132. Is it held to be discreditable?—I rather think it is; natives of much respectability object to trade in grain.

133. But the lending of money; is that also discreditable?—Not the lending of money generally; but the dealings I have spoken of with the cultivators. It is a sort of business which I think the higher bankers rather avoid; besides, it requires minute knowledge they do not possess, and which is possessed only by the bankers of the villages.

134. Does not that depend on the want of capital, and the necessity the person advancing the capital is under of taking grain in payment of his money?—Very much so.

135. Have no attempts been made, by means of local banks, to give facilities to money lending?—I am only aware of one such attempt. I was informed that Messrs. Alexander made an attempt to establish a bank at Bhauleah, under Mr. Ballard, then a surgeon of the place, who is now a partner in the house; but I understand it did not succeed.

136. Does the same rate of interest prevail among the shopkeepers and small dealers as among the farmers?—I believe they generally are in better circumstances, and do not pay the same interest.

137. Can you state for how many months in the year the advance is generally continued?—It depends a good deal on the crop. In sugar-cane the advance probably runs on for a year. They cultivate the sugar-cane in the spring of one year, and

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and collect it in the spring of the next. The grain crops are produced more speedily; for them they must generally possess the means of repayment in about half a year; but a great majority in Bengal seem to live from hand to mouth, and to be always in debt.

138. Do the cultivators use the money-lenders as commission merchants for the sale of their produce?—Not as commission merchants; but it is very generally a part of the bargain, that the produce shall be delivered to the money-lenders.

139. In addition to the interest, they get some commission on the sale of the goods?—The bargain in general is, to deliver at a certain price, which is always under the market rate. I have known an instance in which, when the market rate of sugar was 15, the deliveries of the cultivators were at 20; and they generally delivered all their produce at a price below the market price.

140. There is no legal limitation of the rate of interest in that country?—Yes, it is limited to 12 per cent.

141. How is it these transactions do not come under the cognizance of the law?—No party is interested in bringing them under the law; and if the law was enforced, the effect would probably be, that many places would be left desert. The cultivation is only at present carried on by the law being violated.

142. Would not the cultivator be better off if no such law existed?—I should think so, certainly.

143. Do you attribute the poverty of these persons to the want of industry, or to the portion of rent demanded being too great?—I think the zemindars in Bengal demand too much generally from the people; but they have been always poor, and they are content with poverty. To the mass of mankind, the same principle seems to apply in all nations; if content with poverty, they can hardly be made rich by any contrivance. The zemindars often certainly take advantage of the attachment which the hereditary cultivators have to their fields, to exact more from them than they could from other labourers.

144. Have not these persons a remedy, theoretically if not practically, against the zemindar?—Theoretically, they have a remedy for wrong, but it is not, I fear, practically of much use. If they were united they might possibly defend themselves; but they are not true to themselves: their leaders are often induced to support the zemindars by some special advantage, and the rest follow or are forced to submit.

145. Is it not one of the advantages expected from the settlement of Europeans, that the habits of indolence of the natives would be changed to habits of industry, approaching those of Europeans?—The more they communicate with Europeans, the more likely are they to adopt their habits. I think the common labourers in Calcutta are decidedly superior to the common labourers in the interior.

146. What has been practically the result where indigo planters have settled in a district; has the effect of the encouragement of the cultivation of a particular produce, indigo or sugar, been to release them from their thralldom or not?—I cannot say I remember any particular case. The general opinion was, that wherever indigo planters had settled, the people were better off by getting better employment.

147. Is there any intermediate stage, after the communication between the Europeans and the natives has gone to some extent, in which the natives fall into that state of dissolute habit that uncivilized people generally do before they become improved. Have the people of Calcutta, employed among Europeans, fallen into a demoralized state from that communication?—I think, and I believe it to be the general opinion, that there is a good deal of demoralization in Calcutta. I attribute much of it to the Supreme Court and the system of law established there, which, in its practical operation, seems to hold out much temptation to falsehood, and fraud and litigation. A great capital and seaport is not favourable to morals. But our servants, those I mean who have fixed situations, are, I think, improved rather than injured in morals by their intercourse with us. Moreover, I cannot consider the natives an uncivilized people.

Sabbati, 25^o die Februarii, 1832.

THOMAS HYDE VILLIERS, ESQ. IN THE CHAIR.

II.
FINANCE.

Holt Mackenzie, Esq., called in; and Examined.

*Holt Mackenzie,
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148. DO you think the establishment of legislative councils, and of a fourth presidency and government establishment to superintend the whole, as has been recommended, would lead to any increase of expense; and can you state to the Committee any considerable reduction of charge likely to be made, in addition to those included in the estimate of 1830-31?—As to the establishment of a legislative council, it does not appear to me that that measure ought to be attended with any considerable expense; assuming, as I do, the intention to be to employ as members of it, persons already holding office; but, of course, I cannot answer the question with precision without knowing the constitution likely to be adopted. Supposing the suggestions of the Bengal government to be followed, I do not anticipate any material increase of expense from the measure. In respect to the suggested change in the constitution of the Indian governments, I have already ventured, under the orders of the Bengal government, to put on record my notions of the plan that should be followed. The financial result of the scheme, which provided for a governor-general and four subordinate governments, under lieutenant-governors, is a saving of more than 100,000 *l.*, instead of any increase of expense. The particulars will be found in a Minute, dated 20th July 1830, written by me, as a member of the finance committee, which I have already mentioned.

149. What should you propose as the seat of the central government of India?—Ordinarily Calcutta; but I suppose that the Governor-general, being entirely released from the details of any particular presidency, would proceed to any port of India in which his presence might be most necessary. Calcutta is, I think, the natural capital, if we must have a capital.

150. Have you taken into your calculation, in a financial point of view, the expense of the Governor-general moving from place to place?—Yes, that was all taken into the account.

151. How has the business been conducted in Bengal during the frequent absence of the Governor-general in the provinces of late?—The political business has been almost exclusively conducted under the immediate orders of the Governor-general. The detailed business of the other departments has been left chiefly with the Vice-president in Council.

152. Would you contemplate that he should do so in future?—My notion is, that the creation and adjustment of political relations should belong exclusively to the Governor-general and his Council: that the regulation and distribution of the army should likewise be entirely in his hands, there being one army for all India; and that all legislative enactments should require his express sanction; but the general features of the scheme are explained in the Paper to which I have referred. To return to that part of the question which refers to the reductions which may be made in addition to those included in the estimate of 1830-31, I beg to state that there are items recommended for reduction in the reports of the finance committee, independently of that which depends on the change of government, amounting to about 730,000 *l.*, none of which, I apprehend, can be included in the estimate of 1830-31; but before I could venture to speak with absolute precision upon this subject, it would be necessary to refer distinctly to the dates of the several suggestions, and the orders of the government thereupon. A report, containing the necessary information, is, I understand, under preparation. I believe, however, that certainly not less than 730,000 *l.* will be found to be the amount of reductions recommended, in addition to any savings that can have been calculated upon for the year 1830-31. It may be further proper to observe, that the officers of account at the India House cannot, I believe, take cognizance, under the general rules on which I understand them to act, of anything not actually ordered, whereas the sum I have above mentioned includes all that the committee thought practicable, whether adopted or not; and in what I have said I would not be understood to put my estimate against theirs as implying inaccuracy in the latter, since, as I have already stated, the estimates of the officers of account are, I understand, prepared on the avowed principle of taking credit only for reductions actually ordered, without

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out reference to prospective arrangements under discussion ; but the case being so, it would seem to be advisable that reports should be prepared in the different departments explanatory of all arrangements under consideration which may be likely, in a material degree, to increase or decrease the charge, for otherwise I should apprehend the estimates furnished by the officers of account will not completely meet the views of the Committee.

153. Would those reductions leave the government still efficient ; and, if made, would they leave a surplus revenue ?—We thought they would leave the government quite efficient, if the principle of substituting native agency for European were duly applied ; and if carried into effect, I think that would establish a sufficiency of revenue.

154. Have you considered what portion of that reduction of 730,000 *l.* would be immediate, and what would be only prospective, inasmuch as there would be compensation to be made to the officers reduced ?—I cannot immediately furnish a statement to that effect. The principle generally followed in India has been only to effect the savings as the offices lapsed ; but they do lapse there very frequently, the service consisting of a limited number of gentlemen, of whom the seniors are progressively returning to their native country, promotion and change of office consequently occur much more rapidly than in this country, independently of the insalubrity of the climate, which must also tell ; and, therefore, I have no doubt that the government, if it take advantage of all such opportunities, might secure the proposed savings at an early period ; but it would be difficult to calculate the time precisely.

155. Have the government in India concurred in those reductions recommended by the finance committee ?—I am not immediately aware to what extent they have or have not, having left India before they passed final resolutions on the most important of the committee's suggestions ; but the information may doubtless be obtained from the records which have been transmitted from India.

156. Perhaps you are aware that the officer of account is the auditor of Indian accounts, and therefore every alteration, be it in whatever department it may, must come under his view ?—Yes, I am aware of that ; but I intended only to remark that he could not regularly take cognizance of arrangements merely suggested, and under discussion.

157. You say it was necessary to call on each department for the various expenditure and reductions in those departments ; are you aware that all expenditure and reductions come under the auditor of Indian accounts, and that therefore there is the whole brought into one focus ?—I am aware of the circumstance stated, but my suggestion did not refer to what was actually brought within the auditor's scope, but to measures under discussion and likely to occur, of which he could not take cognizance, according to the principle which I understood to guide him.

158. Are you aware there has been a Report called for on Indian affairs, in which the effect of all those recommendations which have been adopted will be taken into account ?—I was not aware that it went to that extent.

159. Have you any further reductions to suggest ?—Of the provincial battalions several have been ordered to be disbanded in the year 1831, which cannot of course come into the estimate of 1830–31 ; and there are other savings in the military department, the amount of which I cannot immediately state, which will not occur until after the expiration of that year.

160. At what rate do you convert the rupee into sterling ?—I am doing it now at 2 *s.*, as the most convenient rate of conversion. There is a further saving of 30,000 *l.* which might, I conceive, be effected by arrangements suggested in a minute, which is recorded in the proceedings of the financial committee of Calcutta, dated the 1st October 1830. But this and several of the other reductions I have referred to being consequent upon extensive and important changes in the system of judicial and revenue administration, it must rest with the Committee to say how far they can calculate upon them in estimating the future adequacy of the revenues of India. My own conviction is, that the proposed measures are practicable, but I believe that opinion to be opposed by persons of very good authority.

161. You state the amount of reductions at 760,000 *l.*, upon what total amount of charge is that reduction supposed to be effected ?—I refer to the estimate for 1830–31, in which the civil charges are stated at 7,607,500 *l.*

162. Do you refer to the estimate given in 1830–31, prospective for 1834 ?—No ; I refer to the last estimate received from India.

163. Have you seen sufficiently minutely on what that estimate is made, to know whether they have not taken into their consideration some of those reductions ?

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tions?—I go upon the fact, that the estimate, being confined to the year 1830–31, can include no reduction that is to take effect after the 30th April last; and referring to the several recommendations of the Calcutta committee, I have not taken credit for any items of saving effected before that period.

164. Are you quite certain on what data that estimate of 1830–31 has been made?—I only know what appears on the face of statements themselves; but as I have already said, the estimate being limited to the year 1830–31, which expired in April last, cannot include any saving, even though ordered, which will not take effect before the 1st of May 1831.

165. The judicial and revenue alterations have taken place and are going on in effect at this moment, therefore the 30,000*l.* may be, in a certain degree, calculated upon, may it not?—That saving was proposed in a Minute regarding the revenue and judicial establishment of the three Presidencies.

166. Not the peculiar judicial system of Bengal?—No.

167. Have you any estimate of the charge as it will stand after your reductions are made?—I have not prepared any such an estimate; but it can be made by deducting the sums mentioned from the charge exhibited in the estimate before the Committee.

168. Are there any items of extraordinary receipt included in this estimate of revenue?—I see none, excepting the payment from the Burmese, under which head is a receipt of 60,000*l.*

169. You have recommended that the army should be transferred to the Crown; do you think that any material reduction of expense would be effected if such a measure were adopted?—I can only give a general opinion; I think a reduction ought to be the consequence of the transfer. In the first place, looking to India alone, I should think the necessity of having a double staff would cease. There is now a King's adjutant-general and a King's quartermaster-general with establishments. I should suppose also, that the supply of stores being managed as part of the national concern, there ought to be a saving, since there must probably be some unnecessary accumulation under the existing system, a separate government naturally providing for its own wants more liberally than would be thought necessary in a colony depending on supplies from the King's Government. Then, if the officers of the Indian army retained their rank at home, there might possibly be a saving in the retiring allowances; and some establishments in this country might probably cease.

170. What do you mean by rank?—I mean that if officers of the Indian army could be brought into command in Europe, some of them could probably be employed after their return; but the question is one which cannot be answered with any approach to accuracy without having a distinct scheme before the Committee. My remark referred chiefly to the probability of decreasing expense, by getting rid of double establishments both at home and abroad, and by the more economical supply of stores.

171. Are you aware of the present expense of a King's regiment, as compared with the Company's?—Yes; but I had no idea of using Europeans instead of natives.

172. As regards the Europeans, you are asked whether the establishment of officers in a King's regiment is much greater than in a Company's?—Yes.

173. Is not a large proportion of the expense of an army the expense of its officers?—Yes, certainly; especially in India.

174. Would you contemplate that being placed on a large establishment, the Crown could reduce them to the Company's establishment of officers?—I should have officers appointed to the different descriptions of corps, according to their several wants, with a view to their discipline and efficiency for the service to be required of them; but the financial result of any change cannot be advantageously investigated until all the details of the scheme are completely digested.

175. Do you think, theoretically speaking, that the situation of the two services in India has not sometimes acted beneficially upon each other, as a kind of spur to zeal and emulation?—I am not aware how far the case has been so; military men probably can alone answer the question; but I should conceive that troops of the two services will act best together when they act entirely as servants of the nation, and think of the honour of England, without any separation of purpose.

176. Does not the separation of the two rather tend to lessen the danger of those military combinations, which have been frequently very serious in India?—I should not attach much importance to the circumstance, though it certainly may have some effect.

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177. Where those have taken place, have they pervaded the two services together, or been confined to one?—I am not aware of their ever having pervaded the King's service.

178. How is the supply of stores to be made a saving by armies being joined under those circumstances?—My notion is, that if the King's arsenal were regarded as the great storehouse of the whole empire, the Indian government would not think it necessary to keep so much in store as they have done, especially of those articles for which there is no immediate demand.

179. Do you consider that England is to be the principal storehouse for India? Yes, in so far as the distance may allow. And at home there ought apparently to be a saving, since there would, I suppose, be no necessity for a separate establishment to purchase and examine stores. The establishments of the King's Government could, I imagine, perform the duties with little or no additional expense beyond the pay of a clerk or two. The Committee, however, will observe that I have avoided stating any saving under this head, because I am not able to submit to them any scheme for effecting the change, in a precise shape, which must precede financial calculations.

180. The supplies to the King's troops and the Company's troops, with all the military stores connected with the army in India, are all furnished by the Company, and at the expense of the Company, are they not?—Yes.

181. Would it not be possible to concentrate under one management the whole of that, and to derive every possible economy from such concentration, without altering the different relations of the Crown and of the Company, as respects the command of the army?—There appears to be no impossibility in the arrangement stated; but in general, where different authorities under different heads are called to act together, there is danger of embarrassment.

182. If the whole were under one authority, as it regards the materiel supplies of the army, leaving the separate authority, as respects the command of the army, would not that be practicable; could not every economy by some regulation of that kind be attained?—I am not immediately prepared to answer that question. It is certainly true that there might be a partial union of the two armies, though a total one were not thought expedient. Thus the artillery might be entirely the King's, without the other arms. So as to the engineers. But I should apprehend embarrassment from having different parts of the army under different heads.

183. Could not everything referring to the materiel of the army, be brought together under the same management, without touching on the military command of the army?—Certainly it might; but whether it would be advantageous to do so, I am not prepared to say, without seeing the whole bearing of the question, and especially considering how far the officers in the military command must influence the demand and supply of stores: but it does not appear to me that there is any insuperable objection to such an arrangement.

184. Have you any reason to suppose that India might supply herself more with military stores than she does at present, and derive less from England?—In the present state of the Indian markets I do not think that much could be done. I believe the attention of the Indian government and of the home authorities has been given to the subject: but probably if it were taken up decidedly as an object to be attained, and encouragement given to local manufactures, more might be done.

185. Are you aware that in several instances great encouragement was given to local manufactures for military purposes, and that unfortunately they did not succeed; and that that was attended with a considerable loss of money to the Company?—I was not aware of that fact. And indeed I consider the true foundation of all such encouragement to be that of the settlement of Englishmen in India; were they numerous, I think economy in the supply of the army would be the result. Thus the article of gunpowder was long comparatively dear. It is now, I understand, made at the rate of 14 rupees for the barrel of 100 lbs., which I apprehend to be cheaper than it is made in England. It once, I have understood, cost 40 rupees.

186. You have said that the settlement of Europeans would improve the revenue: how do you think it would affect the charges on the revenue?—I see no reason to suppose that it would immediately have any considerable effect on the charges.

187. Prospectively would it have?—Possibly the first effect might be some increase of charge, but ultimately I should not expect an increase of expense.

188. How should there be an increase of expense?—I think every new European settler

settler would be likely to occasion some increase of business and correspondence with the government officers.

189. You speak of judicial business?—Yes; and the occupation of time would, in a degree, operate as an expense: but that would be in proportion to the number, and would be trifling, I should think, if we exclude from consideration the effects of increasing wealth and commerce, which would of course more than yield an equivalent for any increase of establishment they might render necessary.

190. Is any considerable proportion of the expense of the civil government, as connected with the judicial system or the police, required by the relation between the European and the native, or between native and native?—The King's courts were established, I apprehend, chiefly in consequence of the relation between Europeans and natives; but I do not think the establishment of such courts arises necessarily out of that relation: conceiving from what both classes of judges do, and are disposed to do, that there is no sufficient reason for the distinction drawn between the King's and Company's courts. Both should be equally regarded as servants of the British nation. Except the King's courts, and the police immediately under them, I am not aware of any other establishment arising out of the relation between European and native; and, as far as I can judge of the extent to which the technicalities of English law need be introduced into India, I do not think that the appointment of tribunals distinct from the general judiciary establishments of the country is indispensable as a consequence of that relation.

191. You do not consider that it would necessitate any considerable increase of judicial or police establishments, if there were a considerably increased number of Europeans scattered over the different provinces of India?—I imagine, that if the numbers were very considerable there must be additional establishments, but, then, my impression is, that there is little chance of there being such a number as to occasion that necessity. In proportion as the country gets rich, and as commercial transactions multiply, business must be expected to increase; and judicial establishments, for the decision of civil cases, must probably be multiplied. At the same time I think many causes, both of crime and of litigation, may be expected to cease, when we become more acquainted with the people and they with us, through their enlarged intercourse with our countrymen in the ordinary transactions of life. At present, it must be allowed that we know comparatively little of them, and they comparatively little of us, out of the limits of the Presidencies, and the circle of official business. Upon the whole, looking both to the extent of business to be provided for, and to the means of obtaining the agency required to transact it, I should not anticipate an increase of expense from the freer resort of Englishmen to India, rather the reverse.

192. You do not apprehend that the habitual respect of the natives for Europeans, and the occasional assumption of authority and power on the part of the European, might be productive of collision to an extent to require increased protection on the part of the government?—I have no serious apprehensions on that head, if justice be done to all parties. Indeed I apprehend that the number of Europeans likely to resort to India will be too small to have any material effect, directly, on the general conduct of affairs, though it may be large enough to act very importantly on the productiveness of the country, and especially as instructors of the natives in arts, and commerce, and agriculture, to which men of consideration and talents among the natives do not now turn their thoughts. And in proportion as Europeans do go to India, and successfully establish themselves there, I should expect that their presence in the interior must operate beneficially in facilitating the administration of the country.

193. Do you know the opinions of Lord William Bentinck upon the subject of the settlement of Europeans in India?—His lordship's opinion is to be found recorded in Minutes, dated, respectively, the 30th May and 8th December 1829, and in the Revenue Letter from Bengal of January 1830. I have always understood from him that he considered the free settlement of Europeans to be likely to be very advantageous to the country.

194. Do you know the opinion of Sir Charles Medcalfe?—Sir Charles Medcalfe has also recorded a minute upon the subject, and has joined in the despatch which I have mentioned. It will thence be seen, and I know his opinion to be decidedly that, without the settlement of Europeans, India can never be to England what it ought to be. He goes, I believe, so far, at least so I understood his expressions, as to hold that there is little chance of the solvency of India, unless the settlement of Europeans be extended. And in the minute to which I have referred,
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the matter is, I believe, treated as one financially of great importance. I should lay the more stress upon Sir Charles Medcalfe's opinion, because I think he has a very strong sense of the perils that beset our Indian government; and he has had experience in various quarters, and in some of the most troublesome parts of India.

195. One of the objects you had on Thursday appeared to be to reduce the European courts of justice, and substitute native, both in an economical view, and as being superior, in your opinion. Do you think the native courts could take cognizance of any dispute between an European and a native, or between two Europeans?—I think they could. And it may be right to observe, that I do not confine the term natives to Hindoos or Mussulmen.

196. Do you think that, without any advantage they would derive from the improved intelligence of Europeans among them, they could be at once trusted with cases of that description?—I believe that, with due encouragement, men enough might be immediately found, adequately qualified to do all that need be required in regard to such cases, but certainly not so well qualified as we may expect them to become hereafter; and I always suppose the native judges to be subject to the control of an European judge.

197. Have you read the answers of Ramohun Roy to the questions sent from the India Board to him?—Yes, but I do not bear them now in mind.

198. Do you consider that the honour and emoluments attached to the situation of judges, to which you allude, would be a strong inducement to that integrity of character requisite for that elevated situation?—I think, with a comparatively moderate salary, the government might get native judges who would well discharge their duty; and that it is in fact very much a question of emolument and station. Those from whom we require important and responsible functions must be paid liberally, and they must be treated as gentlemen: if paid liberally and treated as gentlemen, I have not the least doubt that the native judges will be found fully capable of discharging their duty. Even now the head native judges are well esteemed. And long ago, when Benares was under a resident, the experiment of liberal pay and suitable rank was for once tried. The native judge there, under Mr. Duncan, was remunerated liberally, rather too liberally perhaps; he got 2,000 rupees a month. And he is still, I understand, remembered with great respect, being indeed considered as good a judge as the country ever had. There must, I think, for the present be a court with an English judge in every district. In the course of time many of these may possibly be discontinued, and the zillah courts, as they are called, might be filled by natives or country-born gentlemen, or if Europeans were settled there, by their children; but in now considering the establishment required for India, we must I conceive provide an English judge to control the native judges in each zillah or other considerable division of the country.

199. Do you think an English gentleman could establish himself in the Lower Provinces, and that if his generation were to continue there, that his family would ever become Bengalese, and that they would maintain anything of European feelings or customs?—I think it is possible; but I should not expect that many English gentlemen would stay after having the means of returning home; but some would stay. The children of many would stay, if attached to the soil by property in land; how far they would have European notions would depend a good deal on how far they were treated as Europeans. Their character must be modelled by the government which rules them, though other circumstances will doubtless influence it.

200. Do you believe that the expense of the college in England might be saved, without any detriment to the public service in India?—I think so; I myself attended it, and I derived very great benefit from it, and I have the highest respect and affection for the gentlemen who belonged to it; but I do not think that I acquired anything there that I might not have acquired elsewhere, if required to do so. We have lately had occasion to compare gentlemen from Hayleybury with those sent out under the late Act without passing through the Company's college, and I must say, as far as my knowledge goes, the latter were not found in any respect inferior to the former; and, on the whole, I have not the slightest doubt that, the service being a very desirable profession, any desired amount of qualification in point of talent and knowledge may be obtained, without the government's being at any expense in communicating it.

201. If examinations were required of all persons appointed to India, would not competent persons be found, and if so might not a very considerable saving be made in point of expense?—Yes; but I should require still higher qualifications than have yet been demanded.

202. With regard to the military college, would not the commissions be a sufficient reward for persons to qualify themselves for obtaining those commissions; and might not the expense of the military college also be saved?—I should imagine so.

203. Have you ever visited Addiscombe?—I have not.

204. Have you particularly considered the subject?—Yes, but as a civilian, not particularly acquainted with military affairs; and the more I have considered it the more I have seen reason to conclude that the seminaries in question might be done away with.

205. You have stated your opinion with regard to the education of the civil servants of the Company; has the opinion you have stated, that the college could with advantage be dispensed with, been the prevailing opinion of those persons in India with whom you have generally conversed?—I think it has, though I cannot immediately recollect to mind many gentlemen with whom I have conversed upon the subject; but I believe the general impression to concur with the opinion I have stated, and that what are called Parliament men are in no degree inferior to others.

206. Is that the opinion of the generality of college men also?—I think it is; and although there are some gentlemen who take from England a considerable knowledge of the native languages, I do not think there is much importance attached to the circumstance. Were I to speak from my own experience I should say, that the languages are so much more readily acquired in the country and among the people, as to make it undesirable to give much time or attention to the acquisition of them here; and private teachers will I doubt not be found if wanted, a knowledge of the Eastern languages being now comparatively common.

207. Is there not great danger of young men remaining in Calcutta, not inclined to study, getting into great expense, and ultimately being obliged to be sent back?—The danger would be comparatively little if a proper selection be made at home, and high qualifications be required; but I have always had the opinion that no one should have been allowed to remain in Calcutta one hour after it was seen that he was not availing himself of the advantages of the college there. That college, also, I consider to be unnecessary.

208. Are you aware that two gentlemen have been recently sent from Calcutta, one a Parliament gentleman, and the other a college gentleman, who were found incompetent, in point of qualification, to engage in the service of the Company?—Yes, I am; and therefore it is that I should require higher qualification than has been yet required. I would also add more years: they have been sent out too young, in many instances.

209. In reference to what you said in objection to Mr. Melvill having stated the 1,300,000*l.*, the balance of account with the King's Government as a charge upon the territorial revenues; are you aware that that sum was applied to the discharge of a portion of the loan made in 1812, by the Public to the Company?—Yes, I am aware of that, and I believe I mentioned that I thought the two transactions should be kept distinct.

210. Are you aware that the Act of the 52d Geo. 3, c. 135. s. 11, provided that the payments, in respect both of principal and interest of the loan of 1812, should be "considered to be a charge upon the revenues," and that the Act of the 3d Geo. 4, c. 93, s. 4, expressly provided that the balance of 1,300,000*l.* should be considered "to be a charge upon the revenues;" and is it not therefore clear, whatever may be the merits of the question as a matter of account, that Mr. Melvill, in stating the balance as a charge upon the revenues, has followed the strict provision of the law?—I am aware of the provision in question. But I should interpret that Act as meaning that the loan should be a charge upon the territorial revenues, as distinguished from the commercial funds of the Company; and therefore, although it is entirely proper to charge the territorial funds with the payment of the loan, I do not understand the Act as prescribing the precise mode and head of account under which it is to be brought. I should think the Act would have been fulfilled by bringing it to account as a debt discharged, and this, the principle on which other issues are accounted for, does, I conceive, suggest. If the Act shall be interpreted to prescribe that the sums disbursed or set off in liquidation of the loan shall be included in the charges of the year as balanced against the revenues, and not to permit them to be brought to account as issues for the payment of debt, then Mr. Melvill had no option, in so far as that transaction is concerned.

211. If the 1,300,000*l.* be credited to the territory, as Mr. Melvill stated it to have been (5807); can it make any difference in the balance-sheet whether that

that sum, having been applied to the discharge of debt, be so stated, or as a charge upon the revenues?—I should imagine not, if the accounts of the home and the India concerns have been balanced together; but I have not seen any such adjustment.

212. Supposing all the revenues and charges of India to be correctly ascertained, and that the result should show a deficit less than the amount which India may have derived from debt incurred, or from the assistance of commerce; should not the excess be accounted for in the assets; and do you imagine that Mr. Melvill meant anything more than that when he spoke of 885,907*l.* as remaining to be accounted for on the assets?—I can hardly presume to speak to Mr. Melvill's meaning. I think it is extremely likely that he meant it would or ought to be found in the assets; but I must observe, that until the accounts of the whole concern are balanced, it is uncertain whether the amount will be found in the assets; because, as I have already remarked, if, during the period embraced by the accounts, the Company's government in India advanced for the service of the Crown more than the Crown admits in favour of the home account, there must be a balance to be added to the charges which would disappear from the assets, and *vice versa*. The sum in question may therefore turn out to be not an excess of receipt to be added to the assets, but a loss to be added to the charges; or the excess of receipt may prove to be still greater, if the sums drawn from the Indian treasuries during the period in question, as advances on account of His Majesty's Government, be less than 1,300,000*l.* But until the account-current of London and Bengal is adjusted, it is impossible, I apprehend, to say absolutely that the sum of 885,907*l.* will appear upon the assets.

213. It is necessary, to make a correct account, if the East Indian revenues shows a deficit beyond what it has received under other circumstances, that that should be accounted for in some way so as to show a clear account?—Certainly.

214. You have stated that your objections to government being traders are very strong, and that you are of opinion they should discontinue to trade in India; will you state to the Committee what your principal objections are, and what inconvenience the private traders have found from the competition of the Company being themselves traders?—The first objection I have is, that the government of India has quite enough to do in the political management of the country, without having any concern with commerce; and that I believe they never have paid and never can pay that attention to the commercial affairs of the Company which they ought to pay in order to trade to the most advantage. Then in the interior of the country, although the regulations of government and the constant injunctions of all authorities at home and abroad be directed to the abolition of all unfair advantages, it strikes me as next to impossible that such orders or rules can practically be enforced, the commercial agents as a part of the governing aristocracy of the country, must, whether they will or no, have an influence that does not belong to private traders. Every peon they employ must, in some degree, have a similar influence, and I should think it therefore utterly impossible, even although the regulations should be as strict as words can make them, against any unfair advantage, that a private trader can go into a district in the immediate vicinity of the Company's factory on a footing of equality with them. There cannot be fair competition. If the government agent be a man zealous for his work, he must push his authority beyond its due limits; and if he is an idler and careless about his work, the government must, of course, lose. In both ways I apprehend the system has been found open to objection. My recollection is, though I cannot speak with precision to the facts, that the price of the important article of silk was run up far beyond what was reasonable in consequence of mismanagement and the want of sufficient control over the commercial agent's proceedings; and this in a degree that could not have occurred with private traders. I believe the Company's trade in that article does injuriously impede private adventure. Generally, indeed, the objections to the government trade in the interior strike me so strongly, that I feel I cannot possibly do justice off-hand to the impressions I have regarding it. Even their purchases in the Calcutta market, though far less objectionable, are, I conceive, open to serious objection on commercial principles. The private trader does not know on what he may reckon. The government may come one year with 700,000*l.* to purchase indigo, and another year, perhaps, purchase nothing. The uncertainty of the amount with which the government, looking to remittance not to profit, may come into the market, must operate to derange private transactions; though the purchase of the article be conducted on perfectly fair terms. I think that all Government

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trade must be a monopoly; and that the moment it ceases avowedly to monopolize it should cease to trade at all. Whether it should monopolize is another question. It has in Bengal long ceased to claim a monopoly in its commercial capacity, and I think it should long ago have ceased to trade in the articles not included in its territorial monopolies.

215. Do your observations apply to the manufacture of saltpetre, opium, sugar, salt and other articles, as well as the purchase of silk?—The manufacture of opium and salt is conducted with a view to revenue, not trade. My opinion is, that of the suggested changes in regard to those articles, there is none that would not involve a large loss of revenue. In the salt department, I do not think we could, by means of an excise, collect the same amount of net revenue as is yielded by the public sales. On commercial principles, I fully admit that there are strong objections to the existing system: but then comes the farther question of the mode of raising the necessary revenue. On the whole, my impression is in favour of maintaining the existing system of monopoly with a view to the revenue. If the salt trade was open, I should at once hold it utterly absurd for the Company to trade in it.

216. In opium the Company has an exclusive trade?—Yes; and from that source also they derive a very large revenue; the excess of the sale prices beyond the first cost constituting such a tax as I should think it hopeless to get by any other device; and though, commercially speaking, there are strong objections to the system, yet we must set against that, the necessity of the revenue; and my belief is, that the same amount of revenue cannot be otherwise got.

217. You have stated that you think salt and opium may be continued monopolies for the sake of revenue; are there any other articles in India that come under the same class?—I believe there is a tobacco monopoly under the Madras government, but I cannot state the particulars: there is none under Bengal.

218. As a manufacturer, do you consider that they manufacture cheaper than they could purchase their gunpowder?—I have little doubt that they long paid for gunpowder more than they need have done, if the country had had a considerable number of intelligent men in it to compete with the government manufacture; and though, as I have said, the article is now comparatively cheap, probably the same thing is still true. The purchase of cotton for the China market I consider to fall under the same rule as the purchase of silk, though not open to the same degree of objection, because the trade is comparatively free. But I should conceive that dearness or inferiority of quality must, in the long run, be apprehended as the consequence of all commercial transactions in which the government engage; knowing, as I do, that the commercial concerns of the Company have occupied very little of the attention of the government, contrasted with the largeness of the sum which has been laid out.

219. And contrasted also with the attention which was paid by individuals to some branches of trade in the different businesses coming into competition?—I should imagine so.

220. From your own knowledge, are the establishments in the different parts of India in which manufactures are carried on, on a scale of more expense or less so than those of private individuals who come into competition with them?—I am not immediately aware of the expense attending the establishments of Europeans in the interior; my persuasion is, that all articles produced by natives, as cotton is, would be brought to Calcutta, without the intervention of any European, if wanted there, and the native establishments are all exceedingly economical.

221. When the government there are about to purchase indigo to the amount of 700,000 *l.*, do they advertise for the whole amount they mean to purchase, or employ agents secretly to purchase the quantities the agents may consider consistent with the interests of government?—The amount to be purchased is always kept secret, or intended to be so.

222. What is the agency under which they buy?—They advertise for tenders of the article wanted to be delivered to their commercial officers in Calcutta, whose duty it is to take the lowest tender, reference being had of course to the quality of the article, which in the case of indigo varies considerably.

223. Are they not obliged to mention the quantities to be delivered?—No, any quantity may be tendered; and the Company's officers have the power of taking or rejecting absolutely.

224. Does the Company reserve to itself the power of taking any quantity that it may choose to name, and reserve also to itself the power of limiting the quantity to any number of hundred weights, however small?—It reserves to itself the power of

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of taking any portion of the indigo tendered, paying the sum demanded for the same, and of rejecting any tender at the discretion of the officers employed. The amount to be ultimately taken is not divulged.

225. Does each individual who tenders, in the tender specify the quantity he is willing to supply at the price?—Yes; and without being pledged to anything beyond that.

226. Is not the uncertainty of the Company's demand one reason which you have for thinking they never can conduct their trade with profit?—I think there is some force in that objection, in so far as regards the supply of the market, for the advantageous regulation of which a steady demand seems to be very desirable; and anything which renders the demand unsteady and uncertain must, I should think, operate with prudent men to cause the market to be supplied at a higher rate than if the demand they had to meet were free from such uncertainty. In so far therefore as the Company's arrangements cause uncertainty, they are likely, I conceive, to enhance cost; but as that enhancement of cost will affect all speculators equally, it does not occur to me how it should interfere with the Company's profit on their immediate speculations; although, therefore, steadiness of demand be very important to the general commerce of the country, and therefore to the Company as its rulers, I am not prepared to say, that unsteadiness of demand will occasion a loss to them in their commercial dealings.

227. Are you not aware that when the Company come into the market for large purchases of that kind, private speculations are immediately lessened, and that consequently they purchase at a higher rate than the average of the market for one or two years?—I think it is very likely that they frequently purchase at too high a rate; but I cannot say that I have been able to trace the effect to that cause.

228. Have you never heard that cotton has been often purchased in the interior of the country by the Company's agent, and landed at Calcutta, at an expense of 25 rupees, when the article was selling at 15 or 20?—I cannot charge my memory with the specific sums. I believe cases will be found in which the Company have paid for cotton beyond what they should have paid.

229. Was not that from the abuse of a particular individual?—Probably in a great measure so; but a more than ordinary risk of such abuse seems to be inherent in the system.

230. You state that opium yields an immense revenue, and that you doubted whether the monopoly can be taken away without a loss of the revenue; you have already stated that the market of China, the principal outlet, is supplied by Malwa and Turkey opium?—It is.

231. Are you not afraid that the profit derived from opium in Bengal, may be perhaps influenced by Malwa and Turkey opium coming in competition in the China market, and would not that rather seem to call for a reduction of that heavy duty on Bengal opium, than to keep it up as proposed for the purpose of revenue?—I would not propose that the tax should be kept up at the rate which has hitherto prevailed. On this subject I beg to refer the Committee to a letter of the finance committee in Bengal, in which the necessity of a large extension of supply, coupled with a smaller price, is very decidedly urged. It is indeed clear, that the monopoly profit in Bengal must be measured by the price at which a supply of the drug can be drawn from other quarters, and I think it essential for the security of the opium revenue at Calcutta, that the supply should be considerably increased, and the sale price of course reduced, which is equivalent to a reduction of duty; but I still think that the cost of opium produced in Malwa and brought to Bombay, and the cost at which Turkey opium can be obtained, is such as to leave a balance very much in favour of the produce of the Bengal provinces; such a balance as could not be collected in the form either of an excise or transit duty. And although I anticipate a considerable reduction in the rate of tax, it does not therefore necessarily follow, that there will be a reduction in the amount of revenue.

232. Could not the revenue upon opium, whether a transit duty or excise, or in whatever shape it may be collected, be collected consistently with liberating the export trade from any duty whatever?—If an excise duty were collected, I presume the export would be liberated; if a transit duty in the interior were levied, I suppose the export would also be free on the production of a pass showing that it had paid that transit duty; but I do not think there would be the same amount of revenue collected by any such scheme. The object ought, however, to be kept in view by the local government, and as the rate of tax becomes moderate, and

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the sale extends, a change of system may become easier. As far as the commerce of the country is concerned, I think the monopoly is a very great evil.

233. Contemplating that the Company shall cease to manufacture, or to purchase any article for remittance to England, do you consider that there will be any difficulty in paying for the advance made to the territory in England, by bills or by remittance of bullion, or how would you propose to repay England for the advances made?—My opinion is, that there ought not to be any difficulty in remitting the supplies, provided the funds exist.

234. What do you mean by if the funds exist?—If the revenue of India be sufficient for the charges both there and at home. Whether the amount for which India appears hitherto to have depended upon England shall be paid from the profits of the Company, I take to be quite a distinct question from that of remittance. In order to remit a certain amount I do not think it can be necessary for the Company to trade.

235. Suppose England to require two millions and a half brought annually from India to pay territorial expenses in this country, do you imagine there would be any difficulty in obtaining bills, and making remittances of bullion to that amount?—I should suppose that the facility of remittance by bills must depend on the course of trade. The discontinuance of the government trade in India, and the freer settlement of Europeans there, would, I think, cause commerce to improve, so that not only there would be no increased difficulty, but we may expect additional security and means of remitting. The goods imported by the Company must, I conceive, take the place of goods that would be imported by individuals. On the whole, I do not apprehend any serious difficulty on the mere score of remitting the sums required.

236. Do you include in that the portion of amount required which would be sent through Canton?—I think that a remittance to England might be advantageously made through China, as is now in fact done by the Company, the drafts of the supercargoes on the Bengal government forming virtually a remittance from Bengal to England. The trade in opium, of which the proceeds in China by the last account were upwards of two millions and a half, seems to afford a large means of remittance by way of China, so long as England shall have a balance to pay to that country for tea and other things purchased there.

237. That would still remain open as a means of remittance, whether the Company traded or not?—Certainly, if the trade continued; if individuals traded with the same success.

238. All that is remitted from China by bills on Bengal takes so much from the exports of that country?—It does not seem to me that the case stands so. The exports must depend on the profit to be made by them. The remittance by bills will diminish the quantity of bullion brought away.

239. In remitting to England the money required to pay for territory, do you take into account the trade to Canton, as a means of making that remittance?—Certainly.

240. You have stated a large amount for stores expended by the Company; are you aware that a great portion of stores may be purchased in India, and thereby the demand on England on that account lessened?—I am not aware that any large portion of the stores can be purchased in a way to lessen the demand on England. A purchase of stores exported by individuals would only transfer it; but if proper encouragement were steadily held out to the manufacture of all articles required by the government, and especially if the settlement of Englishmen in different parts of India were promoted, it is probable that various items of supply might be furnished in that country; still more, that the commercial exports to England should be extended, so as to improve the remittance. As far, however, as the government requires stores from England, it had better, I think, have recourse to the English market rather than trust to the local market of India.

241. Supposing all articles except cannon and fire-arms were supplied by local manufactures, would not that lessen the difficulty in the remittance to pay for territorial drafts on England?—Certainly, to the extent to which those supplies were afforded.

242. Are you able to state what is the amount of stores?—It has varied extremely of late; taking the average, the amount may be stated at about 300,000*l*.

243. If the remittance for bills in India on England is now 1*s*. 10*d*., and the remittance in England drawing on India shall be 1*s*. 8*d*., will not the interest and insurance make up that difference?—The cause of the difference must, as I apprehend,

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hend, be chiefly the interest; but there is probably always some advantage to the party who advances the cash.

244. You consider that if the Company could obtain bills at that rate, that would be all they were entitled to have?—They should, I think, look to the rate of a bullion remittance; and if they could not get good bills at a rate as advantageous, they should import bullion. Prices would then change, and the consignment of goods, against which bills would be drawn, would become profitable. India cannot, I think, want the means of furnishing the desired remittance, if the government have the funds to remit.

245. You are aware that there is a prejudice against the exportation of bullion; is there any ground in your mind for that prejudice as regards India?—I think there is no sufficient ground of objection to the export of bullion from India, if the government have the funds there. But the state of the two currencies, that of England being gold, and that of India silver, renders the out-turn of remittances from the latter somewhat uncertain. It is difficult to say what the comparative value of the rupee now is, and I apprehend that India must suffer by the price of silver bullion in England.

246. Are you aware that merchants in this country have been led into considerable mistakes on the subject of exchange, in consequence of the difficulty of estimating the relative currency of the two countries?—I was not aware of the fact.

247. Do you know of any difficulty in England drawing on India for what they require, taking the average of a number of years, when the money market in London would not, as in ordinary cases, provide the means of cash here for bills on India?—I do not apprehend any difficulty, supposing no insufficiency of the government revenue in India; and that does not refer to remittance, but to supply.

248. If that is the case, would you not have the double advantage of the Bengal and the London market for bills; and might not the government very soon lessen the difficulty, by availing themselves of the means of selling bills in the London as well as in the Calcutta market?—I think it would be advisable to use both markets.

249. Have you ever known any difficulty in the Company procuring bills in Calcutta to any amount?—Yes; when the government offered to buy bills, difficulty was experienced in getting them in Calcutta, at any rate they would accept.

250. Are you able to say whether it was above the market rate?—I believe that 1 s. 11 d. was at the time somewhat above the rate at which bills were to be purchased in the market.

251. With what views have the Company been remitting bullion from India of late years, was it not to check the exorbitant demand?—The view, I imagine, was, that they could get a remittance by bullion better than by bills.

252. Taking bills on England to be the acknowledged means of remitting from India to England, would not bullion be sufficient at all times to check any exorbitant rate of exchange?—I should think so.

253. Considering that opium is a great staple product of India, and that there is a great consumption of opium in China, do you apprehend that there is a great probability of the regular export of opium from India to China continuing for a series of years?—I think there must continue to be a great export.

254. Is opium raised cheaper in India than it is in any other market in the world?—I believe so.

255. Do you not apprehend that, under all circumstances, it is probable a large export trade from India to China will continue?—Yes.

256. Will not the opium trade carried on from India to China always afford to the Indian government the means of making remittances from India to England?—Certainly, so long as England has a balance to pay to China.

257. Must there not, so long as there is a large export of opium from India to China, always be remittances made either from China to India, or from China to England, to pay for that large export of opium which so takes place?—Certainly.

258. Will not bills therefore on England, to the amount of the opium exported from India to China, be always to be drawn in respect of the opium so exported?—I should think that must depend upon the general state of the trade between the three countries.

259. In what manner at present does China pay for the opium exported from India to China?—Partly in the Company's investment, partly in bullion, and partly in goods sent to India, especially to the Bombay side of India.

260. Can you state what is the proportion in which the opium exported is repaid by China to India by direct exports from China to India?—That is fully explained

in the Indian Trade Reports, in so far at least as the custom-house accounts can be depended upon. The imports of bullion and goods, and the amount of the Company's bills, will be readily seen from those reports.

261. Would it be possible to remit to this country, to the extent India requires remittance, if the exports from England were equal to the value of the imports from China to England?—If England were to pay China directly for all that she takes from her, there would be room for the intervention of India in the adjustment of the account between them.

262. Would India be assisted in the remittance she was to make?—Not if China has no balance to receive from England.

263. Would it make any difference whatever in the ability of England to make remittance, whether the trade is carried on by one body of men or the other, whether by the Company or by individuals?—I should think not, excepting in so far as the amount and proportion of the trade on either side might alter. An increase or decrease of trade, or a change in the relation of the imports and exports, would of course affect the question.

264. Could it make any difference as to the means of India to remit home, whether the trade between India and China were conducted by a free competition of individuals, or through the agency of the Company?—Not, I imagine, directly; but indirectly, if the exports from England to China very greatly increase, the balance of trade between China and England may be so altered as to render China no longer a part of the chain between India and England; because if England fulfils its obligations to China by goods, that will for a time at least get rid of the necessity of making use of the bullion due by the latter country to India; and *vice versa*, if by an enlarged export from China to Europe, the debt due to that country be increased, then the trade between China and India may be expected to be still further used as a means of remittance to England. But as to the effect of any change in the mode of conducting the trade with China, I have no means of forming an opinion worthy of the attention of the Committee; for of China I know no more than any other gentleman in London who has paid attention to the subject.

265. The amount of trade remaining the same, the Company must have the same facility of remitting home by bills, by means of the trade of individuals, as they would have by the operations of trade in merchandize, if they were themselves the traders?—I imagine they would have the same facilities. They would of course lose the advantages of the profit of their monopoly; but that, though a very important item, I suppose to be excluded from the question of remittance.

266. Would not the Company labour under this disadvantage, that trade being very much monopolized by a few houses in Calcutta, they would be open to combinations among those houses, as well as to combinations among houses that might hereafter be established at Canton, supposing the Company's trade there to cease, and that those combinations would have the opportunity of doing as they pleased with respect to the rate of their remittance?—I have no reason to believe such combinations have taken place; and I am of opinion, that among the advantages of opening India more completely to British settlers, would be a dissolution of what may be called the monopoly, which, to a certain extent, the great houses enjoy. If the resort and settlement of Europeans had been always quite free to India, there would have been less ground for the fear of combination; since the trade of the country would, I think, have been distributed over a much larger body. It is one of the evils, I think, of the system which has been pursued, that the trade is so largely in the hands of a few, and one of the advantages with respect to the trade which I anticipate from opening the country to Europeans, is the establishment of many new houses. Already, in consequence of the greater freedom given by the present charter, a good many new establishments have risen in Calcutta; and I think, that gradually, if Europeans had the power of settling there freely, and especially of establishing themselves in possession of land, there would be such a variety of interests connected with the trade, as to place the Company out of the reach of any such combination as is apprehended. At present certainly the mass of the trade is in the hands of a few houses.

267. Do not you conceive that those houses are favoured by the Company, so as to prevent the increase of commercial establishments in Calcutta?—There is, I believe, no intention to favour; but indirectly they may benefit by the system, since they have an interest in excluding others from the benefit of the position they hold, under which they have enjoyed what may be termed a monopoly of European intelligence and European credit. On the other hand, being established,
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with old connections and credit, they might gain more by the general increase of trade than they could lose by the competition of new establishments.

268. Is it not the case that the merchants of Calcutta depend very much upon their being on good terms with the Company's authorities?—I do not think that the conduct of the government or its officers towards the merchants of Calcutta has, in any essential degree, been influenced by considerations of personal favour. I may mention, as a case in point, the introduction of the stamp law into Calcutta. Several of the merchants were very active in opposing it; yet although we were, of course, eager for the law, the leading opponents to it received at the very time, or immediately afterwards, considerable advances from the government treasuries to assist them out of difficulty. Those advances were made without any reference to the favour or disfavour with which the individuals were regarded; being indeed given with a view to benefit the trade, and not with a view to any personal considerations; and generally, I should say, the same system has prevailed; so that I conceive the merchants of Calcutta to be little, if at all, dependent on the terms on which they may be with the public authorities in matters of business.

269. Is not a house in India more dependent on the goodwill and favour of government than any house in England would be on the authorities of government under which they live, from the fact of the government in India being a sovereign government and a trading government at the same time?—No, I think not; I think they are quite independent as to all essentials.

270. In the course of the transactions of government, either in advertising for bills or advertising for goods, has any suspicion ever attached to the government in India on the part of the merchants there, of any individual merchants knowing the intentions of government, or of any practices in the course of that proceeding that might be considered corrupt?—I am not aware of any such suspicion being entertained. I have heard it whispered that sometimes the merchants got information as to the quantity of indigo which the Court of Directors had ordered to be purchased, but how they got it nobody could tell; probably from some of the underlings. It was never, I believe, suspected to come from the government, or from any officer of rank.

271. Have you never heard of any house in Calcutta speculating in any article or in exchanges, in anticipation of a contract on the part of government, which has been subsequently published?—No, I have not.

272. Nor any suspicion of that having been done?—No.

273. Would it have come under your cognizance if it had happened?—I think I should have heard of it.

274. In what department of the government is the business of remittance usually transacted?—In a matter of remittance, if there were any discretion left in regard to the amount, or the mode in which it should be effected, the question would be settled in the financial department. But the purchase of goods rests entirely with the commercial department; to which, after any finance questions touching remittance had been settled in the former, the resolution for the investment of the amount to be employed in purchasing indigo or any other article of trade would be transferred.

275. The accountant-general and the managing secretary would generally exercise their discretion?—The orders from home relative to the investment have generally been such as to leave little or no room for the exercise of discretion. When there has happened to arise a question as to whether and how the funds could be raised, the accountant-general and the financial secretary have been expected to state their opinions on the point, without having anything to do with the purchase of goods. And although the principle has been laid down very strongly from home, that the Indian government ought not to rest on England for financial aid, we have sometimes seen reason, in Bengal, to urge an opposite course. Thus I was on one occasion under the necessity of recording an opinion against a remittance of bullion, though ordered by the home government, but the decision rested with the Governor-general in Council.

276. Ordinarily speaking, do not the orders go out from home, stating in what commodities the remittance should be made?—Yes, all commercial letters are directed to the commercial department; and as the territorial has been indebted to the commercial branch, the latter has appeared to be entitled to require the utmost investment that might be thought expedient, till the debt was exhausted.

277. You stated the inexpediency of the Indian government raising money in this country, and showed the enormous loss arising from that transaction; you now

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state that you recommended that we should raise money in England for particular purposes?—I fear that in India we were generally too ready to lean upon England. But the recommendation adverted to was made at a time when it appeared that money could easily be raised in England at a low rate of interest, and when there was reason to apprehend that the required supply could be obtained in India only on comparatively very disadvantageous terms. The loan of 1812 was raised under very different circumstances; and the loss was in a great measure occasioned by its being raised through the means of three per cent. stock, with the obligation of discharging it by a sinking fund.

278. What do you consider to be the effect on India, paying as it does a tribute of above three millions to England annually, including private fortunes, what will be the consequence to India ultimately?—I consider it to be a disadvantage to any country to have to pay tribute to another; and among the advantages of governing India by natives, and of encouraging British settlers, one I think would be the lessening of the amount of that tribute. But I do not think that the burthen ought to weigh oppressively on such an empire as India, if its capabilities of furnishing produce be duly improved, and if England will take on equal terms the goods which are furnished.

279. How would you make the remittance to this country in bills?—I should periodically advertise the amount required, and invite tenders both in this country and in India, with the understanding that none would be accepted at rates less advantageous than a bullion remittance. If the remittance were established as a permanent system, I should imagine that the arrangements of merchants at home and abroad being made accordingly, no serious difficulty would be experienced in forming those of the government, and any delay that might occasionally arise from the necessity of remitting bullion, might, I conceive, be met by temporary loans from wealthy individuals or establishments.

280. How are you to judge of the bills to be sent home?—If adequately secured by goods, bills would be safe from whomsoever taken. But I should think that bills drawn or accepted by wealthy individuals might be taken without security.

281. Who is to judge of the wealth of the individuals?—The officers employed must be allowed a certain discretion, as I believe is done in remitting money from one kingdom in Europe to another by means of bills. In some cases the security of fixed property in India might be given; and when the bills of lading are required, I should think it too strict as a general rule to advance only three-fourths of the value. But in the present condition of the trade of India there are circumstances which may require particular precaution.

282. Are you aware that in the remittance you are speaking of where three-fourths were taken, the indigo sold under the value of three fourths after all?—Yes, I was aware of that circumstance; and the course pursued may doubtless be justified in the particular instance. But I should still doubt the fitness of such a general rule; especially if the trade of India were in a natural state.

283. Supposing you had a tender of a certain number of merchants' bills, would you have a power of saying, I will take such a man's bills, but refuse those of another merchant, would you suppose any individual could be placed in a situation to make such a selection; for instance, suppose some years ago you had been drawing on this country to a large amount, and Messrs. Palmer's house with others, had given in tenders, could you at that time have refused to have taken the bills of Messrs. Palmer?—Unquestionably difficulties would be experienced at present if any bills were to be taken in Bengal without security. But the rules with the officers of government would have been, that if entertaining any doubt as to the safety of a house, they should reject its bills, or require security. But the security of property on the spot might probably have been taken.

284. Would not any one house in Calcutta being in the predicament of not having its bills taken by government, be immediately condemned as a house out of credit?—It certainly would have that effect, if the matter were not kept strictly secret.

285. Supposing your mode to be followed of taking the bills of these houses at Calcutta; if they were taken without any security, the government being from year to year in the constant practice of remitting this large sum, would not the consequence be that the Company would permanently be interested in the fate of those houses at Calcutta to a considerable extent; could it be done in any other way so as to exonerate the Company from that permanent responsibility, unless the bills were

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were accompanied by security?—With the exercise of a sound discretion that risk might possibly be obviated or much diminished. I suppose security to be taken in any case of doubt; and I do not think it need be known when the bills of any particular house were rejected, unless the parties chose to make it public. The arrangement would be easier if establishments of respectability became more numerous; and already the number of houses has considerably increased, and I have little doubt but that the number will go on increasing. And if a discretion were left with the officers employed to purchase bills, I should think they might exercise it so as not to injure private credit, and yet to secure the Company, provided they acted upon a broad rule, that no bills should be taken to which the slightest doubt attached.

286. Could the government, having so large a sum constantly to remit, refuse what might be called bills of average credit in Calcutta; could they confine themselves to the undoubted property in the place?—That must depend greatly on the amount they remitted in the shape of bills.

287. Should you look chiefly to the money-market in Calcutta, or to the money-market in London?—I should conceive that the money-market of London, and the credit of English houses, might be greatly relied upon when once the system of remittance was established as a permanent arrangement.

Martis, 28^o die Februarii, 1832.

THOMAS HYDE VILLIERS, ESQUIRE, IN THE CHAIR.

Holt Mackenzie, Esq. called in; and further Examined.

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288. IS it your opinion, that as the necessity of making large remittances to the continent of Europe during the periods of war in this country, has led to great exports of merchandize for the purpose of realizing sums on the Continent, so the necessity of making remittances from India to Europe has led to a large import of opium into China; and do you not consider the opium trade as very much promoted by that necessity of making Indian remittances?—I should apprehend not, since a great part of the opium is paid for in bullion; and if the price in China be sufficient to enable the Indian merchant to realize a profit, bringing bullion to India, I should take that as sufficient proof that the trade is in what may be called a natural state, and depending upon the effective demand of China alone, without any reference to the necessity of making a remittance to England, though a portion of the demand of Bengal against China is very conveniently transferred in the payment of a portion of the debt due to China by England.

289. Do you mean that in China a portion is paid in bullion, or that in the immediate export of opium from India it is paid for in India in bullion to the Indian merchant?—I referred to the payment in China.

290. You mean that the opium exported to China is paid for in China with bullion?—Yes, excepting that portion which is paid in goods and in Company's bills; but there is still a large balance paid for in bullion.

291. Is the mass of bullion which forms the payment for the opium, do you apprehend, re-invested in China in the purchase of teas, or does it form an article of export from China?—Partly both. A portion is invested in teas, almost the whole of which may be considered as represented by the bills drawn by the Company's supercargoes on Bengal; a large portion remains to be paid for directly to India by merchandize sent to that country, and by an actual remittance of bullion partly to Bengal and partly to Bombay.

292. Do you attribute the large increase in the opium trade which has taken place since 1830, the increase being from 500,000 to nearly 3,000,000, to an increasing demand of the Chinese for opium, or do you attribute it in any manner to the trade being forced to find remittances from India to Europe?—I consider it to depend entirely upon the demand of the Chinese; and that the circumstance of their paying a large balance by an actual remittance of bullion, may be considered as conclusive evidence that the trade is not forced by any circumstance, such as

that adverted to. From such accounts as we have from China, I am led to believe that the taste for opium has very much increased, and especially as the price has fallen. I have no doubt, however, that gradually the smugglers have become more skilful, and the government officers possibly more corrupt; and it has been said that the use of opium having extended to the palace, there has been some relaxation of the law in practice, if not avowedly: but in regard to the circumstances of China, I do not consider that I have had any advantage in gaining information above gentlemen residing in this country.

293. Has the price fallen materially of late years in China?—Very greatly.

294. From what price to what price has it fallen?—The price has varied extremely; I recollect it upwards of 2,000 dollars a chest, and I believe it has now come down to 700 or 800.

295. Principally from the competition of Malwa opium?—Principally from the competition of Malwa opium, and the greater extension of the supply of Bengal, in consequence of the government of Bengal seeing the necessity of meeting the Malwa opium by reducing the price, or supplying the market so largely as to produce that effect.

296. Is it not important for the permanent continuance of that branch of trade that the opium should be supplied from India at a moderate price, yielding not more than a reasonable profit upon the cost of production; and is there not a danger that if an artificial price be placed upon it by limiting the trade to the Company, other countries may be tempted to engage in the growth and trade of opium with China?—There is certainly very serious danger, unless the price is so moderate as not to afford an excessive profit to opium brought from other countries than Bengal. The extent of profit which the Bengal government can realize upon its prime cost seems to me to depend upon the cost of production in other quarters; and that if, as we suppose, it can be produced much cheaper in the Bengal provinces, or rather I should say, brought to Calcutta at a much cheaper rate than it can be brought to any other port of export, the difference between the cost of the Bengal article and the Turkish or Malwa opium at the port of export may be secured as a monopoly profit to the Company; but beyond that I conceive it impossible that the Company can derive a permanent revenue from opium.

297. Would there not be much greater facilities for making remittances to India if the number of commercial operations between India and Europe were multiplied: you are aware that, at present, they are to a certain degree fettered by limiting the number of Europeans who can settle there, and also by the interference of the sovereign power in commercial operations, either direct or indirect. The general question is, whether making remittances from one country to another is not materially facilitated by increasing to the utmost extent commercial operations between the two countries?—I should imagine that the remittances may be very greatly facilitated by that means, particularly as there seems reason to think that articles of export from India may be produced more abundantly. In proportion as general trade is extended, the facility of remitting will, I conceive, be increased. The means of remittance at any particular time depends, of course, chiefly upon the balance of trade; but I should think that, in the long run, the power of remitting a given sum must be found to be in proportion to the aggregate trade upon which the remittance may have to be effected, and that the tribute due by India to England will less materially affect the exchange in proportion as the trade is extended.

298. If Europeans were allowed to hold lands in India, might not that materially facilitate the giving security for the bills which, in a former answer, you have contemplated that the East India Company might purchase for the purpose of making remittances to Europe?—I should think greatly; but that would depend upon the degree in which the holders of lands were themselves exporting merchants: probably, if not themselves exporting merchants, they would be connected with others whose credit and theirs would go together; and one essential facility, I should think, would result from the connection between persons settled in India and respectable houses at home, who would grant credits to enable them to negotiate bills, as funds might be required by them in India; in the same way as, I believe, Americans and French now bring to Bengal letters of credit from houses in London. I should think, in truth, that we may safely assume that the matter would soon settle itself; and it strikes me as clear that everything which adds to the wealth and trade of India and England, must facilitate all dealings between the two countries, and remittance among the rest.

299. Do

299. Do you think it would be more injurious to the credit of mercantile houses whose names appeared upon the bills, that the Indian government might reject, in exercising its own judgment as to what bills it shall or shall not discount, than it is to the credit of merchants in this country to have the bills they send to the Bank for discount rejected, as constantly happens?—No, I am not aware why it should be; and of course the danger of any such consequence would be greatly diminished if the number of establishments multiplied, as I have no doubt it would, and if trade was less confined to particular houses, resting upon what may be considered rather an insecure basis, I mean trading chiefly upon credit, with comparatively a small amount of proper stock.

300. Is not the amount of the annual remittances to this country nearly stationary, owing to its being required principally for paying salaries for past services in India?—The Company's remittance has hitherto varied considerably, but chiefly from its being connected with the payment of the capital or the interest of the loans. Of the Bengal registered debt, the only loan remaining, the interest of which can now be demanded as of right, is what is called the six per cent. remittable loan, and on that score there ought hereafter to be little fluctuation. The principal of the debt is indeed also demandable in bills when it shall be paid off, and any arrangements for the discharge of that debt might certainly occasion a very great and sudden demand for remittance; but the payment of the loan depends on the will of the government; and excluding the contingency of its being discharged, the Company's remittance will, I imagine, be hereafter steady, though it may gradually increase if measures be not taken to limit it.

301. If the Company's remittances varied but little from year to year, do you not think that attempts would be made by merchants to provide bills, to meet those remittances; and would not the constancy of the demand for bills, and the amount being well known beforehand, be very likely to regularly secure the means of making the remittances?—I should think so; and I consider indeed the experiments which have hitherto been made to be no fair experiments, from the circumstance that they were adopted as temporary expedients, without any systematic plan directed to the object of effecting remittances through private channels, and that the merchants had no sufficient warning to enable them to make their arrangements to meet the government demand.

302. With regard to the inconvenience which may at present arise, either to finance or commerce, from the separation of the Ceylon government from that of India, what are the advantages that you contemplate would result from combining the government of the two under one head?—I should think that if Ceylon formed part of the general government of India, its administration might probably be placed on a more economical footing; and the trade of the island, and of the adjoining districts of India, would probably be promoted by the abolition of duties likely to interfere with their commercial intercourse; whereas the arrangements of the two governments are now, as far as I understand, made without any reference to their joint interests as part of the same national concern.

303. With reference to the explanation you have before given of your views as to the present amount of Indian revenue covering the increased amount of charge that might arise in times of war, do you consider that taking the average of the revenue for the last 10 years, that the charges incidental to war would be sufficiently covered by that average, taking into consideration all the reductions which good economy would suggest?—I had not immediately in mind the period specified; but taking the amount of revenue which, from the average of the past, may be fairly reckoned upon, and supposing reductions to be effected to the extent to which I think they may be made, indeed not going beyond what I believe the government to be now actually doing, I see fair reason to think that there will be sufficient means; but as I said before, any prospective estimate must be given with the greatest uncertainty. I think that the expenses of Bengal must very much fall short of the revenue.

304. You stated that by the conquests that had been made by the Bengal government, further security had been given to our frontier in every part of it; and that, therefore, there was less apprehension of having the frequent wars that existed in former periods. From that view of the case, might you not be led to expect that the charge for war would be lighter than it has in past periods been?—I should think there is fair ground for expecting such a result. I consider the

position of British India to be much improved by the circumstance I have mentioned ; and that the chances of war have greatly diminished.

305. And therefore the sum to be set apart for insurance against war, would not require to be so large as in former periods?—Not so large, certainly.

306. Have you considered at all, in the event of the China trade being thrown open, what would be the practical means by which the remittances from India to England could be effected through the China trade?—I have already stated that China pays to India a considerable balance in bullion, and China has a balance to receive from Europe, to which India has a debt to discharge. In proportion, consequently, that Bengal can transfer to England its demand upon China, in that proportion will its remittance to England be facilitated.

307. Would you then propose that the importers from India to China, instead of bringing back bullion from China, should draw bills upon England, and receive by that means the corresponding amount?—With his bullion he might purchase bills on England from a party exporting goods to this country from China, and then effect his remittances to India by means of such bills instead of bullion.

308. The question had reference to the means of extending the bill market, supposing the government of India to give up the remittance of goods: how would you bring the Canton market within the means you have stated?—The bills purchased in China with the proceeds of opium or other Indian goods, being sold in Bengal for cash, and they might be purchased there by the government, would form a remittance from India to England: or an agent of the Indian government in China might purchase bills on England with money raised by the sale of bills on India; or parties accredited by houses in England might be empowered to draw from China on Bengal, on the condition of a corresponding sum being made good to the home treasury; and other arrangements would probably suggest themselves in the course of business. The question, indeed, how far China could facilitate the remittance from India to England more than it now does, would depend upon how far the trade was increased, and on the state of the balance between that country and Europe.

309. You state, that when the government of Calcutta accept bills upon London, they accept them only to the extent of the value of three-fourths of the cargo, and that the cargo, on arriving in London, is security for those bills. How would you make the same security, or an equally good security, applicable to bills accepted at Canton?—The same security might be required if an agent of the government were to take bills at Canton. But probably that would not be necessary, if the remittance were settled on a permanent plan.

310. Do you suppose it possible, consistent with good faith and the engagements of the Company, to make any considerable portion of what is now paid by the Company in England, payable to the parties themselves in India?—A considerable portion of what has been paid in past times, has arisen from interest of debt which was only demandable of right in Bengal, and in so far as the interest bills from Bengal have exceeded what belongs to the remittable loan, which is between 8,000,000 and 9,000,000, bearing an interest of 6 per cent., payable, in the case of proprietors resident in England, by bills at 2 s. 1 d., to that extent the amount paid at home exceeds what is necessarily remitted through the government treasury. Government has also occasionally remitted a good deal of the principal of the loans; the whole of that was of course a matter of option. And although it is extremely desirable to get rid of this remittable debt, which bears an interest of 6 per cent., the discharge of which might throw a large demand upon the English treasury, that is a matter, which being entirely within the option of the government, may be considered quite separably from any question relative to the ordinary demand for remittance which the Company has to meet: of that demand there will be a considerable decrease in the item of interest.

311. Do you mean that there will be, or that there may be?—That there will be; the order has already passed putting a stop to all remittance of the interest of the 5 per cent. loans.

312. In a financial point of view, what is your opinion with regard to the currency in India; do you think it should be one currency for all the Company's possessions in India, or that each presidency should have its peculiar currency?—I certainly think it should be one currency for all India.

313. Will you state the advantages to be derived from that?—The saving to government of the expense of re-coinage, in the case of a remittance, which frequently

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frequently happens, of money from one part of the country to another; and the loss and inconvenience to private merchants and others who have to make remittances in like manner, would be obviated; whereas now the rupees of one place are received merely as bullion in the other, and excepting at the mints, are not legal tenders at all. The troops when moved from place to place are particularly subject to inconvenience and loss from this cause; and Government has been occasionally embarrassed in providing the funds locally required, with the promptitude necessary to the public service. The pay of the troops being calculated in a coin not current in Bengal, there is occasional trouble in the conversion of accounts; and officers and serpahees complain when they receive a less number of rupees than their stated pay, though the intrinsic value be even greater. Probably if we had but one currency the mint expenses might be reduced. I think it likely, indeed, that we might discontinue the mint at Madras; but on that point I have not been able to form a conclusive opinion.

314. Exclusive of the profit to the Government, you think that the trade universally would be very much benefited by such a change?—I do; the unnatural distinction of currencies must aggravate the fluctuations of exchange, and by the charges of recoinage frequently occasion a burthen to commerce that would not otherwise exist.

315. You are aware that very considerable expenses have been incurred of late in providing mint apparatus?—Yes, both in Calcutta and Bombay.

316. In your opinion, would a very considerable saving in that respect arise?—I should think so.

317. What is the legal tender in Calcutta?—The silver coin is the Calcutta sicca rupee; the gold mohur is also a legal tender for 16 rupees; but as the relative value of gold in the market has risen much above the mint rate, and the mohur consequently may be sold sometimes for 18 rupees, it has ceased to be a currency; and therefore, practically speaking, I may say that the only legal tender is the Calcutta sicca rupee.

318. Is that a coin?—Yes.

319. Then the gold coin sells at a premium?—Yes.

320. At what premium does it sell?—I have known it one-eighth.

321. Does it exist in a considerable quantity at Bengal?—A considerable quantity is supposed to exist, being hoarded by the natives, who also use it in making ornaments.

322. A person having engagements at Calcutta to pay in rupees, the individual is not bound to pay anything but the silver rupee, is he?—No.

323. Practically, is there much foreign coin, Spanish dollars, or any other coin, in circulation at Calcutta?—None in circulation.

324. When it arrives, what becomes of it; is it sent to the mint to be coined, or what becomes of it?—That depends much upon the state of the exchanges. Formerly the greatest portion was coined in the mint, the rest being exported chiefly to the Company's possessions in the western provinces, and the native States in Hindostan. Lately, since the import of bullion has become less considerable, and there has been a demand for remittance to England, the dollar and other foreign coins are, I believe, purchased for remittance, instead of being sent to the mint for the purpose of being coined.

325. Since what time has the sicca rupee been the legal tender of the country as a coin?—The sicca rupee has been a legal tender in Calcutta ever since we acquired the country. The present sicca rupee bears the date of the 19th year of the last king. There were three rupees; the current rupee, the sonat rupee, and the sicca rupee. But previously to A. D. 1773 the rupees were distinguished by the years in which they were coined; that is to say, the impression bore that they were struck in such a year (*sun*) of the reigning king of Delhi; and after circulating four or five years they suffered a depreciation, whether they had lost weight or not, being reckoned sonat rupees, *i. e.* rupees of years. These, with several other coins, continued to circulate at different rates of discount, and accounts were kept in a nominal coin called the current rupee, which was probably taken at the rate of 116 to the 100 sicca rupees, to represent the average of the currency actually in circulation. The first step to reform was a resolution that all rupees coined in future should bear the impression of the 19th year of the reign of Shah Allum, so as to put an end to the arbitrary distinction previously made to the coinages of different years; and in 1792–3 the sicca rupee was by the rules contained in Reg. 35 of the Bengal code, rendered the only legal silver currency for

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the provinces of Bengal, Behar and Orissa. The sonat rupee is still used in the military accounts, the pay of the Bengal troops being reckoned in it; it is considered as equivalent to the Furruckabad, Madras and Bombay rupees: the discount on issues of Calcutta sicca rupees being the same as the old rate of depreciation, viz. $4\frac{1}{2}$ per cent.

326. Was that depreciation the effect of wear, or was it sweated?—It was partly real and partly nominal. It was generally supposed that while the rule continued very considerable profits were made by money-dealers, who gathered the old rupees before they had lost weight, and bringing them to the mint for recoinage obtained their full value. That practice was put a stop to by the resolution to coin only rupees bearing to be struck in the 19th year of the Emperor Shah Allum.

327. In what year was that?—I do not immediately recollect the date. It was about A. D. 1773, but the reform of the currency of Bengal was not finally provided for until the system described in the code of 1793 was established; since that time all other rupees but the sicca rupee have been received as bullion, and not re-issued by government. The sicca rupee used to be receivable as of full weight, only if the deficiency did not exceed six anas (6-16ths) in 100 rupees. Since 1818 the limit has been extended; a deficiency of two pice, *i. e.* 2-192 parts, or about two grains, being allowed in each coin. If the deficiency be greater, old rupees are received only as bullion, but they are not subject to any mint charge for recoinage: whereas other silver bullion has, since 1812, been subject to a seignorage duty of 2 per cent.

328. Are the Committee to understand that the present law with respect to the mint is, that there is a 2-per-cent. charge upon silver, and that the old coins are coined without expense?—Yes, that is the present law.

329. They give them the same weight as the old rupee?—Yes.

330. That being the state of the case, does there exist only the sicca rupee in circulation throughout the country?—The Calcutta sicca rupee is the only legal currency in Bengal, Behar and Orissa.

331. And the sonat rupee and all the depreciated rupees have gone out of circulation in consequence?—Not entirely: in the remoter districts, and in the dealings of the poorer classes, different rupees appear still to be in circulation; but the mass of the currency is the Calcutta sicca rupee.

332. Does the sicca rupee pass now without any difference of value arising from the different years in which it has been coined?—Yes, because the impression upon the rupee has ceased to express the year.

333. So that the distinction made by the natives was a distinction arising more out of prejudice than out of any difference of intrinsic value?—I imagine it arose partly out of a difference of intrinsic value, partly out of prejudice, and partly out of the arts of the money-dealers, who were gainers by the belief of what was not the fact, and whose influence on the mind of the public has always been great in India, with regard to all such transactions.

334. Is the sicca rupee a legal tender by tale, under which a person having a claim against another in Calcutta of 100 sicca rupees, may pay them if he pleases by 100 of the current coin?—He may pay private demands by tale, provided the deficiency does not exceed the prescribed rate of two grains, or 2-192 parts, in any one rupee. All coins are still received at the government treasuries, in liquidation of demands by government against individuals, as bullion, although inferior in weight.

335. In the transactions between individuals are they legal tenders, if allowance is made for deficiency in weight?—No, they may reject them.

336. Be so good as to state to what extent of India this state of currency is applicable?—The same rules prevail throughout the British territories, but the Calcutta sicca rupee is confined to Bengal, Behar and Orissa, and the countries adjoining to Bengal, which were conquered lately from the Burmese. In these recent conquests the Calcutta rupee is I believe generally current; but I am not able to say to what extent the old coins are still prevalent. It has been the object of government to introduce the sicca rupee, and it is the only currency in which accounts are kept.

337. Does the same state of things exist out of the Company's territories, within the districts that are not belonging to the Company, but are merely tributary?—No; in general the state of currency out of the Company's territories is very irregular.

338. Each

338. Each sovereignty has its own rupees?—Yes.

339. Do they vary much?—Very considerably.

340. Are they upon a very bad footing, complicated and inconvenient?—There is much inconvenience from the number of them, and from the limited extent of country for which each is current.

341. Do those separate governments ever play tricks with their money by raising or lowering its value?—The value has undergone considerable fluctuations; but whether from fraud or not I cannot positively say.

342. Did not the government a few years ago increase the weight of the rupee, leaving the quantity of silver the same, and increasing the weight by alloy; and for what reason?—Yes, in the year 1818, by Reg. 14. The chief reason was that the rupee being much purer than other coins, and more especially than the Spanish dollar, of which the import into Calcutta was large, a considerable expense was incurred in refining, and some delay occasioned. It was thought particularly desirable to give its full value to the Spanish dollar, minus the government seignorage.

343. Was there any depreciation in the pure silver?—None.

344. Has the better principle of our own currency in India had a tendency to increase the extension of that currency into the states of the native princes; is it spreading?—I am not aware that it spreads from that cause; the Furruckabad rupee, which is struck for our Upper Provinces, has spread considerably, but I believe the cause to be the course of commercial intercourse.

345. Is not all the pay of the military, whether they are paid in the provinces or Calcutta, calculated in sonat rupees?—Yes.

346. Are not you therefore, in making up your accounts, invariably obliged to charge the batta?—Yes.

347. Does not that complicate all military accounts?—It does.

348. When you left Behar you came formerly upon the Benares rupees?—Yes.

349. Has that been abolished?—Yes.

350. Was not the Benares rupee circulated as sonats?—Yes, both the Benares and the Furruckabad rupees.

351. Would not one uniform coin, wherever the Company's troops and civil establishments exist, be very advantageous in every point of view; not only as regards commercial dealings, but the pay of the Company's servants?—I think so, particularly in the pay of the troops; since, when they come into Bengal, Behar or Orissa, they are now paid with a deduction from their nominal pay, which is of course a very unpopular thing, not only with the native troops, but with every officer whose 100 rupees are converted into 95 and a fraction.

252. Does he get the same quantity of silver?—Yes, rather more, but that does not prevent complaint nor inconvenience.

353. Do not frequent remittances on public account take place between the different presidencies in India?—Yes.

354. Is it done by bullion or by bills?—By bills, if they can be negotiated on favourable terms, if not by bullion.

355. What is the value of the Madras rupee as compared with the Bengal?—The difference is about 6 $\frac{3}{4}$ d. per cent.; the one weighing 192, and the other 180 grains troy.

356. In Bombay again is not the rupee different?—The Bombay rupee now has been put on a footing with the Madras rupee; it formerly was a trifle less valuable.

357. Is the Madras rupee coined at Madras by the government?—Yes.

358. By a mint sent out for that purpose?—No; the mint was built by the government there.

359. Are the Bombay rupees also coined at Bombay?—Yes.

360. From the manner in which the territories now under the three presidencies mix together, are not the troops of one presidency frequently placed in a territory belonging to another presidency; and do not the payment of the rupees, differing so much as they do, occasion great perplexity and great trouble?—The troops of one presidency are not often in territories belonging to the other presidencies, but they are so posted as to render it convenient that we should be able to supply the troops of all indiscriminately from the treasuries of either.

361. Have you any opinion as to whether gold should be made a tender with silver, or whether silver should continue the currency, from what you know of the manner in which the natives view the two metals?—I think silver should continue the currency, and that gold should be left to fluctuate as an article of merchandize.

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362. Are you aware of the expense to the government, or charge of coinage in Calcutta?—I cannot immediately state the net charge. When the importation of bullion was considerable, the mint not only paid itself, but yielded a certain net profit: it is now a source of considerable expense; but of course the result depends upon the quantity of private bullion brought for coinage.

363. Have you directed your attention to whether the rupees might not be coined in England, provided there was one coin in India, with greater economy than in India?—I have not much thought of the practicability of such a scheme; though the matter has casually occurred. It has seemed hitherto that the demand of private individuals for a coinage of the bullion brought by them to our mints has been so great as to require that an establishment should be kept up; and if an establishment be kept up at all, it appears to be better, and even economical, that it should execute all the work that is to be done.

364. Do you consider that there would be any considerable difficulty in establishing one coin throughout the Company's possessions?—I do not think the difficulties are insuperable, or such as ought to dissuade the Government from adopting the measure, considering the advantages to be derived from it.

365. If you made the attempt to assimilate the coins, would you take the sicca or Bengal rupee, as that coin?—I should take a coin equivalent to the Madras rupee. It is within a trifling fraction of the same value as the Furruckabad rupee, and it is also equivalent to the Bombay rupee; all the three rupees being considered equivalent to the sonat rupee, in which the pay of the troops in Bengal is fixed. The local currency of Bengal, Behar and Orissa, ought, I think, to be discontinued; and although the permanent settlement has been fixed in that currency, and in it all the government loans, as well as all individual engagements within those provinces, are expressed, I do not apprehend that the difficulties arising from that cause ought to stand in the way of the measure: and all engagements should, I conceive, be converted from one currency into the other, on the principle of intrinsic value.

366. You conceive that the holders would understand the change which should take place?—The holders of the public securities would certainly understand it.

367. You would avoid the change which would affect the lower class of people, who, taking things by their name rather than by their intrinsic value, would not understand the nature of such a change?—My chief reason for preferring a rupee of 180 grains to the Calcutta sicca rupee is, that the circulation of the former is much the most extensive. It is common to the presidencies of Madras and Bombay, and in the Bengal presidency, to the province of Benares and all the country to the north-west. It is the rupee in which the pay of the army is expressed, being issued at par with the sonat rupee; and in its general use would obviate the necessity which now is experienced in Bengal, Behar and Orissa, of taking a batta of discount from the troops, when paid in Calcutta sicca rupees. We shall thus remove a cause of complaint; whereas, if the Calcutta sicca rupee were taken as the general standard, that ground of complaint would be much extended, unless a large addition to the government charges was made by issuing it at par with the sonat.

368. What is the ordinary rupee of account?—The Calcutta sicca rupee.

369. Would it not be necessary to make a remission to the zemindars, or take a greater number of rupees?—I conceive that a greater number of rupees might be taken without any serious objection.

370. Do you think there exist any means of ascertaining the loss which the Company now suffer by being obliged to import bullion received from one presidency, in order to convert it to the presidency for which it is sent?—No, I imagine not very accurately.

371. Have you any opinion as to increasing or decreasing the seignorage in order to pay the expense of the mint, so that it shall not become an expense to the Government?—I think the seignorage might be somewhat raised. The chief difficulty that I have on the subject of seignorage, is the facility of imitation. I do not apprehend that an additional 1 per cent. would enable individuals to imitate the rupee; but the effect on exchange must be also considered, and I should be against a very considerable increase.

372. Might not the rupee be coined in Europe and exported, if the seignorage were placed too high?—It would be necessary to attend to that consideration. Probably some opening or point might be formed from experience of the practical effect of the seignorage levied on silver coin in this country; making allowance for the restriction of its currency as a legal tender for small sums only.

373. Are

373. Are the Committee to understand that your opinion of the amount of seignorage is that it should be the cost of manufacture as nearly as possible, and so as not to encourage counterfeit coin by carrying it beyond that limit?—That seems to me the proper general rule; but if the cost of manufacture in India should exceed 3 per cent., we must, I think, be content to bear the loss, instead of charging a higher seignorage.

374. Should you suppose it probable that coin manufactured in Europe with the best manufacture, and by the best artists, would be likely to find any imitators in India, so as to endanger coinage?—No, I apprehend not; indeed one great object of getting for the Calcutta mint the machinery which was sent from England, was to obviate the danger of false coining.

375. When the English had possession of the Burmese territory, are you aware in what way they found the payments there, and whether they met with any difficulty in taking the Indian currency?—No, I am not aware of any such difficulty having been experienced.

376. Is the coining of false money a crime prevalent in India?—There have been frequent instances of false coining.

377. How is it punished?—If committed by a person amenable to one of the King's courts, it is punishable, I believe, by transportation for life, or by imprisonment for a period not exceeding four years; in the criminal courts of the country it is punishable by imprisonment, or banishment from the district, for the term of 14 years.

378. Do you remember, within your own recollection, as many as six, eight or ten cases?—I remember several instances in which complaints were made of the appearances of false money; I do not immediately remember any conviction for the offence. In some cases it was supposed that the false money came from the Oude territory.

379. Is there much false coin rejected at the bank, or at the public offices?—Not, I believe, to any great extent, though there are frequent instances of it.

380. In what shape is the bullion exported to India; is it in bars, or is it in dollars?—The bullion imported into Calcutta consists chiefly in Spanish dollars; that brought from China is partly also in lumps called sycee silver, fine silver: from the Persian and Arabian Gulfs, the imports consists chiefly of different coins: from Europe and South America, the import has been made partly in ingots and partly in coin. Gold dust comes from the Eastern Islands.

381. Have you ever considered what would be the effect, as a measure of economy, of endeavouring to make half and quarter dollars circulate as currency in India?—No, I have not.

382. Might it not be attended with great saving to coinage if a coin current in all the world were made an Indian currency?—I apprehend that any addition to the number of the coins current would be a source of vexation and annoyance to the people, and that our great object should be as far as possible to simplify the currency; the poorer classes are always subject to loss in exchanging money.

383. Do Spanish dollars circulate at their value?—In Calcutta they have ordinarily obtained their mint value, excepting when there has been a considerable demand for remittance, and then they have risen to their intrinsic value; they do not properly form part of the circulation, but their value is well known throughout India, and in the remotest districts I believe the money-dealers will readily purchase them, though they are not received in payments in the market.

384. Can you state at what period the increase in the value of gold currency compared with that of silver took place?—It appears to have arisen gradually since 1793.

385. Has any considerable increase taken place since 1814?—I believe that there has been a considerable increase since 1814.

386. When bullion is exported from India is it exported as sicca rupees, or melted, and the silver itself exported?—When it is necessary to export rupees, I do not believe they are ever melted down for the purpose; but of course, so long as bullion can be found in the market at a price below the intrinsic par, the preference is given to it. There is no restriction on the export of the coin.

387. If the Company are ordered to send money to other parts, do they send uncoined bullion?—In sending specie to places where rupees are not current a preference is always given to the uncoined bullion, as far as there may be a balance in the mint, or as it can be advantageously purchased in the mint.

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388. Would they send the coin of the country?—Yes; but they would begin by sending bullion as far as it may be procurable on advantageous terms.

389. When was the government bank first established in Bengal?—In 1809, I think.

390. Have you been intimately acquainted with its operations since?—For a considerable part of the time.

391. What has been the effect of its circulation on the government, and the convenience of commercial dealings, and of the Company's dealings, since it has been established?—I think it has been a source of great convenience both to the community and to government, especially in Calcutta, where its notes have chiefly circulated. They have also afforded an advantageous means of remittance to and from the districts.

392. In point of fact have not remittances of bullion, as the only means of paying the balances from district to district, a good deal ceased now?—The necessity of such remittances has been lessened.

393. Is there any bank established at Madras similar to that at Bengal?—Not precisely similar, I believe.

394. At Bombay?—There is no bank at Bombay.

395. Are not the India Company proprietors of the bank?—They are part proprietors.

396. In what proportion?—They advance 100,000*l.* out of 500,000*l.*

397. Did the proceedings in that bank commence by an actual collection of bullion equal to the capital of the bank?—I believe that a part of it was subscribed in treasury notes, but I cannot speak positively to the amount; it happened a good many years before I had any concern with the bank or the finances of government.

398. Does the bank keep accounts with individuals in the country?—No, its transactions are confined to Calcutta.

399. Do you contemplate that if one uniform coin were circulated in India, the business by banking would also very much increase?—I think the increase of banking must depend rather upon the character of the commerce than upon the nature of the currency. It does not occur to me that it is the state of the currency which constitutes the difficulty in the way of extending our banking operations, but rather the condition of the country.

400. Is the bank in Bengal established upon the same principles as the Bank of England; is it a bank of discount and of deposit?—Yes, it is a bank of discount and of deposit.

401. Is it nearly upon the principles of the Bank of England?—I am not sufficiently aware of the principles on which the Bank of England is conducted.

402. Is it under Act of Parliament?—It is under a charter granted by the Governor-general in Council, by virtue of powers vested in him by Act of Parliament.

403. Have the government power, under their own authority or Act of Parliament, to establish more banks than one?—Yes.

404. Having the power, how is it that they have not granted authority to any other bank than that in which they are partners?—There is no prohibition against the establishment of other banks.

405. Have they given a charter for the establishment of any other banks except that in which they are partners?—No.

406. Have they been asked, and have they refused to grant charters for the establishment of other banks?—Some years ago the government of Bombay proposed to establish a bank there, very nearly I believe upon the principle of the Bengal bank; but the proposal was disapproved by the home authorities, and their opinion appeared to be generally averse to having new banks established by authority.

407. Are you aware upon what principle it was that the refusal to allow other charter banks to be established was given?—I do not immediately remember the reasons stated: my present impression indeed is, that the letter from the home authorities did not enter into detailed reasoning; but that they rested generally upon the danger of abuse; on the difficulty of exercising an effectual control; and on the apprehension that the grant of a charter must, in the public estimation, constitute a bank a government concern, even though they should have no other connection with it.

408. What is your opinion of the force of such reasons?—I do not think there is any

any sufficient reason for withholding a charter, provided it contains suitable rules, and that the officers of the government have access to the accounts of the institution to see that it conducts its concerns on proper principles: whether private banks would assent to the requisite restrictions, I cannot say.

409. Do you think it expedient or inexpedient that the Company should be a partner in chartered banks?—My own impression is, that the share which the government has had in the management of the Bengal bank has been advantageous to the public, but I speak with the prejudice of one who has had a good deal to do with the concern.

410. May not the circumstance of the government having a share in one bank, have tended to direct its policy in refusing to allow other chartered banks to be established?—No; I apprehend that the largest possible dividend upon 100,000 *l.* is a matter of comparative insignificance to the government.

411. Be so good as to explain the constitution of the directories of the bank?—I have already stated that the capital of the bank is 500,000 *l.*; of that capital 100,000 *l.* is subscribed by government, 400,000 *l.* belonging to individual shareholders; a share is 1,000 *l.* The precise number of proprietors I am not now able to state, but no one proprietor can hold above 10 shares; there are three directors appointed by government, and six elected by the proprietors.

412. In point of fact are there any of the directors who take the lead more than the others; do the government directors take the lead more than those appointed by the proprietors?—In general the president of the bank, who has always been hitherto a government officer, took the lead; the bank directors, or a part of them, meet once a week to examine the state of the accounts, to determine the extent and rates at which accommodation is to be given, and to settle various other matters which may be submitted to them by the secretary. In the intermediate days private bills offered for discount are sent in circulation in shut boxes, and referred generally to two of the private directors and to one government director.

413. Is the president elected by the directors, or is he named by the government?—He is elected by the directors.

414. Can the six overrule the three?—Yes.

415. What class of persons are the directors?—They are generally chosen from among the principal merchants of Calcutta; but I have known instances of other individuals being directors.

416. Are the government directors all official men?—They are all official men.

417. Is the president paid?—No, none of the directors are paid.

418. For what period does the presidentship last?—He is elected once a year, but he may be re-elected.

419. What class of people are the shareholders who elect; are they the residents of Calcutta principally?—No; there are some residents, and of course all the directors must be proprietors; but a considerable number of the proprietors are retired civil and military officers.

420. Do they vote from England?—They can vote by proxy; and if I recollect rightly, the charter allows their having a proxy even when in England.

421. Do you know whether they do vote by proxy?—I do not recollect whether residents in England did leave their proxies.

422. Can natives vote?—Yes.

423. Can natives become directors?—Natives can become directors if chosen by the proprietors.

424. Has Government at home any influence in choosing the directors?—I do not recollect its ever interfering; but an order from home relating to the three government directors would doubtless be implicitly obeyed.

425. Does the government vote for the six?—No.

426. Has the constitution of the directors led to any collision between the government and the commercial directors?—I do not remember any collision; there has often been a good deal of discussion.

427. Is there any difference of opinion as to the financial concerns of the government at the time of the Burmese war?—I do not recollect any matter on which there was division in the bank; but the expenses arising out of that war occasioned a good deal of discussion on various subjects.

428. Are the notes of any other bank taken in payment of the government demand?—No.

429. Have there been no complaints by the public with regard to the discounts?—Complaints have not unfrequently been made.

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430. Have the Company ever received large advances from the bank?—I do not remember any advance having been made excepting on the occasion of the Burmese war; at the commencement of which, the bank having large funds unemployed, it subscribed a large sum to a four per cent. loan then opened. Afterwards, when the state of the funds rendered the measure necessary, the bank got rid of the Company's paper by a resale, with the view of extending its loans and discounts.

431. What was the amount that was subscribed?—Twenty-five lacs.

432. Did they subscribe the 25 lacs of rupees at the commencement of that loan?—Yes, almost immediately after the loan was opened.

433. Is that the largest subscription to any loan?—It is the only subscription that I remember. They have always held a certain sum in the Company's securities, as a mode of investing part of their capital, but these have been generally purchased in the market from individuals.

434. Are you aware of any great losses that they suffered, either by forgeries or by bad debts, within the last four or five years?—They have lost considerably by bad debts; and recently still more by forgery.

435. In what way?—A large portion of their advances are made to individuals, native and European, on the security of the Company's paper. It turned out that a part of the Company's paper which was so deposited was forged; and unless funds belonging to the native from whom it was received can be traced and recovered, the bank must sustain a considerable loss. They also sustained a loss from the failure of Palmer & Co., but I do not apprehend that will be very considerable.

436. Who were the forgers in the instance you mentioned; were they natives or Europeans?—Natives.

437. Is it a common crime in the country?—Forgery is a common crime in the country.

438. Are they clever at it?—In the case in question the imitation of the signatures was surprisingly accurate; but I do not recollect any forgery showing much skill of mechanical execution.

439. Did that crime exist before the introduction of the bank into Bengal?—Yes, from time immemorial I believe.

440. Have any means been resorted to, to decrease the forging?—Some time before the discovery of the forgeries in question, the government had sent home for paper prepared for the purpose of providing against imitation, and they have employed an European engraver for the same purpose.

441. Have any forgeries taken place under the new issue of paper?—None of Company's paper, as far as I have heard. In the bank-notes, for which a peculiar kind of paper with a peculiarly engraved impression has long been used, they have contrived in some cases to change the amount, but not I believe in such a manner as to deceive anybody who has a practised eye.

442. Has, on the whole, the Company's bank realized the expectations which were formed of it?—I think it has.

443. Did the bank sustain any and what loss by that transaction of the 4 per cent. stock?—No, I believe not, excepting in so far as that, while it held that property, it might not be able to advance loans to individuals to the same extent that it would otherwise have done. My impression is that we did invest too much in Company's paper, and by that means inexpediently lock up part of the capital of the bank which would have been better employed in private loans and discounts. The war in fact continued longer, and the expenses were much greater, than was originally expected.

444. At the time the bank advanced upon that loan, were individuals willing to come forward and subscribe?—Yes, a considerable amount was subscribed; in all the government obtained about 1,500,000*l.* at 4 per cent.

445. What was the whole amount for which the Company wished to raise a loan at the time?—Of the estimate of the year I cannot immediately say what the deficit was; but it was supposed when the war began that it would end more speedily than it did, and no such expense as occurred was anticipated; so that if there had been no disappointment in those respects, the 1,500,000*l.* would have probably sufficed to meet the war charges. As it happened the war continued longer and was more expensive than expected, and expenses were heavy elsewhere; and therefore it became necessary for government to raise a much larger amount, which they did by opening a five per cent. loan.

446. Do the government open a loan generally when they want money?—Yes; we have generally found that the loans accumulate so gradually that there is little danger of an inconvenient glut, the government reserving the power of closing the treasury against subscriptions when they see that they have enough.

447. Did the bank subscribe in the first instance, or was it afterwards, when individuals could not be got to subscribe to more than 1,500,000 l.?—The bank subscribed in the first instance.

448. What security did the Company give when they received that large advance?—What is called Company's paper; that is, promissory notes, of which the principal was payable at the option of the government, the interest being payable quarterly. It became part of the registered debt.

449. Do the bank at Bengal act as government bankers, much in the same way as the Bank of England act as government bankers here?—No, the government keeps its own treasury quite distinct.

450. In the event of government wanting accommodation, does it apply to the bank in the same way as the Government applies here to the Bank of England?—No, it is not in the habit of getting any advance.

451. So that there is no direct communication between the bank of Bengal and the government?—None, excepting that the government have three directors, who of course represent the government in the direction; and on the particular occasion of the subscription of the 25 lacs, there was no express communication from the government to the bank; but I do not suppose that the private directors would have made it, if the government directors had not proposed it as a proper thing. We however thought it an expedient arrangement for the public, as well as a convenient thing for the government; and although, being anxious about the success of the loan, we may not have been quite impartial judges, the measure was certainly resolved upon under the impression at the time that it was a right thing for the bank to do.

452. At that time what advance was there to private individuals?—That I cannot say, but the bank had large funds unemployed at the time.

453. So that the government applied to the bank, the bank not being habitually in the service of government, or in the habit of aiding the concerns of government?—Government did not, strictly speaking, apply to the bank; but after the loan advertisement was published, the government directors suggested the subscription, and therefore in so far the government may be said to have applied to the bank; but if the proposal had been overruled by the other directors the advance would not have been made.

454. Did the government recommend their directors to suggest to the board of directors subscribing to this loan?—I cannot say that the government did recommend it: my impression at present is, that the accountant-general and myself, knowing the government to be in want of the money, and anxious for the success of the loan, acted without any distinct orders, certainly without formal orders, on the subject; though, being in constant communication with the members of the government, we must have been assured of their approval of what we were doing. The resolution was moved at the bank meeting without the name of government being used, and the question was treated as one which the directors had to determine without any interference beyond what might be implied in the part we took.

455. Should you say, from your knowledge of individuals, that the directors elected by the proprietors were in every respect sufficiently independent both of any influence that the Company's government might have to injure them in any respect, or generally sufficiently independent, to have resisted the wish of the government, if they had thought it desirable for the credit of the place or of the institution so to resist it. Were they *bonâ fide* free agents?—I think they were *bonâ fide* free agents; but it is impossible to estimate the precise extent of influence which the government directors have, which indeed, partly at least, depends upon personal character. And though I regard the private directors as sufficiently independent to resist what they thought wrong, and to have been in fact free agents, I would not be understood to deny that the government directors do have, from the force of their official situation, considerable influence over them. Generally, indeed, collective bodies are probably too ready to yield an assent to those who take the lead; and I dare say the private directors of the bank yielded something to such influence on the occasion in question. Yet certainly, if they had rejected our proposal, though they might at the moment have offended the government directors personally, they would not have been in the slightest degree the object of hostility to government.

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456. Do not you conceive that those directors, being merchants of Calcutta, and the fact of the government having both the sovereign power and the power as great merchants at the same time, these combined powers must have an influence over those six directors, which makes it very difficult for them, without danger to their personal interests, to refuse any wish of the government in applications of that description?—I really see no danger that their personal interests would have incurred, and therefore I think that they were free agents; but at the same time, being few and intimately known, they may naturally be supposed to be unwilling to offend, just as all merchants having dealings with government officers are, I imagine, reluctant to offend them. It does not seem to me that the Company, in its commercial capacity, could in any degree influence them, the commercial concerns being kept completely distinct from those of the territorial administration; and, on the whole, I can conceive no reasonable ground of apprehension, unless it were possibly that of ill-temper and want of civility and accommodation on the part of us with whom they were brought into immediate contact; feelings that would have been in no degree shared by the government.

457. Are there not frequent deposits of bank-notes in the hands of government?—Yes, the government frequently holds a considerable sum in bank-notes.

458. Do you not consider that the power of returning these notes, and at the same time the power of receiving other notes upon the bank in payment of demand, must give the Company considerable influence over the banks, if they like to exercise it?—I do not attach much importance to that circumstance, because I think the general rule was that there should be no accumulation of notes in the government treasury beyond what it was convenient to have for the transaction of business; and though it was an object to avoid suddenly returning large sums upon the bank, or any measure that should unnecessarily interfere with the equal course of its operations, the end aimed at was the advantage of the public and the promotion of the government revenue, not the separate interest of the bank.

459. Would it not expose the bank to great embarrassment if these large amounts were suddenly turned to circulation?—They are always circulated as fast as the disbursements of the treasury give the opportunity of issuing them: it does indeed occasionally happen that there is an excess which if immediately sent to the bank would inconvenience it by reducing its balance of cash, but the general course is to keep only what is wanted for the usual demand; and although, the bank being bound to stop its issues whenever its cash came within the prescribed proportion of one fourth of the demands against it, the government necessarily possessed the means of interfering with the bank's operation if it had desired to do so, I do not believe that the directors were apprehensive of such a consequence from any acts of theirs.

460. Is the Committee to understand that the government exercise no control over the management of the bank or its regulations, other than such as is exercised through the three official directors?—I am not aware of any other direct control exercised by the government over the bank, but it holds its charter at the pleasure of government.

461. Was there not a correspondence five or six years ago, between the government at Bengal and the home authorities, with respect to the government of the bank, and particularly the proportions which the issues should bear to the funds?—Yes; the bank finding that the old charter restricted its operation, applied for a new charter, which was granted, and of course it depended upon the government to grant it or withhold it.

462. Were the terms of the new charter conformable to those of the old?—No, there were considerable changes: under the old, the bank notes issued by it were absolutely confined to the amount of the subscribed capital, that capital being 500,000*l.*; the moment the notes amounted to that sum they could issue no more; even though individuals might wish to have notes in preference to coin, the bank was bound to issue no more. The other restriction was that the amount of cash should be equal to one-third of the issues; it was changed to one-fourth: these were the essential changes, I do not immediately recollect any others of importance.

463. Does not the government require the Bank of Bengal to lodge a deposit to a certain amount of the Company's paper, as a security for the notes which the bank has of the Company's?—It formerly did, but latterly that condition was relinquished by the government of Bengal.

464. Were the terms of the new charter the subject of controversy between the home authorities and the authorities at Bengal?—Yes, they were.

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465. Since what time has that regulation requiring the bank to deposit a certain amount of Company's paper ceased?—I think since 1823 or 1824.

466. For what term is the charter now granted?—The charter was granted I think for five years from the year 1823.

467. Is there anything that limits the government making any alterations?—The government have the power of withdrawing it now that the term has expired.

468. At this moment, is it within the power of the government to make any alterations in the charter with respect to the government of the bank?—Yes, in so far as the continuance of it depends on their pleasure.

469. Do you recollect, when the bank lent 25 lacs to the government at 4 per cent., at what rate they lent to individuals?—I do not immediately remember.

470. Was it anything less than eight per cent.?—Certainly less than eight; not above five, I believe.

471. Do you think, if there had not been three government directors, they would have lent that money?—I think probably not.

472. How do you account, from your knowledge of the government of Calcutta, for the circumstance that the government can borrow money at four per cent., when the best merchants are obliged to pay five per cent.?—Chiefly from the security of the government credit. I consider the credit of the Indian government to stand as high as that of any government on the earth.

473. Are they very punctual on all occasions in fulfilling their engagements?—Yes, they are very punctual; and the loan obligations are issued in a convenient shape. Money is easily raised upon them. The salt merchants and opium merchants, and others, use them extensively for this purpose, and the credit of the Company is, I believe, not doubted in the least.

474. Did the largeness of the advance made by the bank, subsequent to its making the advance, occasion any anxiety to the directors as to the success of the measure?—I believe that when the expense of war became larger, and the prospect of a greater demand arose, there was apprehension that loss would have been sustained.

475. Was there not a great pressure in the money market, which led to that uneasiness?—There was not, till the government had accumulated about 1,500,000*l.*, and then, finding that its expenses were greatly beyond what had been anticipated, it raised a corresponding sum virtually at six per cent., for it exchanged the four per cents. into five per cents., on condition that the parties should make an advance of cash equal to the amount of debt so transferred.

476. Do you think that was an example worthy of imitation?—No; I should not again be for the bank's subscribing to a loan.

477. In what way was that advance made?—In cash.

478. Do you not consider it very necessary, for the due execution of the financial operations of government, that they should have a bank to which they can occasionally resort for accommodation, in the same way as the government here does to the Bank of England?—No, I do not think it is necessary. It might be beneficial in enabling the government to reduce their balances, and apply a certain sum that now lies idle in the treasury, to the liquidation of the debt. In this way the existence of a wealthy bank, which could make advances equivalent to the demands against which government has now to reserve funds, would be a convenience; but I do not think it is necessary. And it is, on the other hand, rather undesirable that the government should rest upon a bank, from the danger that if it do so, it will often draw so much from it as to interfere with its advances to individuals.

479. Is it your apprehension that the government, having been in the habit of relying upon the bank, may occasionally depress it too much?—I should think so. At the very time of difficulty, when it is pressed it would come upon the bank, and that is the time when the bank should support the merchants.

480. If the bank were in a position to have its directors sufficiently independent of government to be free agents in any case of application to them, and that in consequence they resisted any demands that they could not with propriety grant, would not, in that case, the assistance of a bank in Calcutta be a great convenience to government?—I do not think the bank is much wanted for the government business; its chief use is for commercial purposes; though of course I ought to add, that in supporting trade and affording a convenient means of remittance, it much promotes the interests of government indirectly.

481. Are you of opinion that the government having a command over a bank

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would be useful to them in their financial concerns?—Upon the whole I think that the interference of government through its officers as directors has been very useful, and should be continued, but not for the purpose of getting the bank to make advances in aid of the public resources. The object should be to see that the business of the bank is so conducted as best to promote the commercial interests of the place, including the important dealings of the salt and opium merchants. In that way I think government to be much interested in the management of the bank, and that it should not look to getting a direct advance.

482. Might not a portion of the expense the Company now incur be saved by converting the bank into an engine of payment, the same as the Bank of England is?—I rather think that there might be some saving in that way, and that the bank might in a considerable degree supersede the general treasury as an engine of payment. But on the other hand there is the danger of its funds being diverted from their proper use, as I have already mentioned.

483. Do you not recollect the Union Bank of Calcutta applying to the government for a charter, and of its having been refused?—No, I do not think any application was made to government; but I was spoken to by a gentleman interested in the institution, to know whether I thought a charter would be granted; and my impression, from the correspondence of the home authorities, especially their orders regarding the proposed Bombay Bank, being that the application would not be complied with, I stated that opinion; and consequently I believe no application was made.

484. Do you conceive that the refusal of the charter to the bank of Bombay was at all founded upon the existence of the bank at Calcutta?—Not at all.

485. Do the notes of the banks at Calcutta circulate at Bombay?—No.

486. Then the refusal of the charter to the bank of Bombay was given upon either the general objection to banks, or the absence of particular reasons for the establishment of a bank at Bombay?—Partly both, I believe; I mean that general objections were urged, and it was thought that the circumstances of Bombay did not require the establishment.

487. You have stated that you were spoken to, but that you thought government would not grant a charter; what reason had you to think that government would not grant a charter?—Chiefly from the communications of the home authorities, by which of course the local government must have been influenced.

448. The present bank has a monopoly, has it not?—No, but it is the only chartered bank.

489. What privileges has a chartered bank over other banks?—It is a corporation; it can therefore sue under its common seal, and the individual proprietors are not liable beyond the amount of their subscription; those are the only distinct privileges it enjoys as a chartered bank: but besides these is the resolution of government only to receive its notes.

490. Is there anything to prevent any number of persons from associating themselves into a bank, remaining each liable for his whole property for the debts of the bank?—No.

491. Then the only bank in which parties are liable to the amount of their shares is the bank of Bengal?—So I apprehend, if my notion of the law is correct.

492. What exclusive advantages, independent of the charter, are there which belong to the bank of Bengal above those which other banks possess?—Government receiving their notes, and their notes alone.

493. Can any other banks emit notes?—Yes.

494. And do they?—Yes.

495. What is the present amount of the Bengal bank-paper circulation?—I should suppose that on an average it has been about 800,000*l*.

496. What are the securities upon which the bank is accustomed to make issues?—The largest amount is issued upon the security of Company's paper, in loans running on for three months or less. It also discounts government bills, and private bills and acceptances with two good names.

497. In what proportion does the bank make advances upon government paper, and in what proportion upon private paper?—I should suppose, to the best of my recollection, that the proportion has been as 15 or 20 to 50.

498. Fifteen, upon what paper?—Upon private paper, and 50 upon loans.

499. Is that a fixed rule upon which the bank act, to make only a certain proportion of issues upon government paper, and to make only a certain proportion upon private paper?—No, there is no fixed rule.

500. Is

500. Is it a rule upon which they act, varied from time to time, or is there no rule whatever?—They have no rule whatever.

501. What leads you to think that that is the proportion on which they advance?—I spoke of the result of the actual transactions of the bank, as far as I recollect it; it did not follow from any arbitrary rule fixing the proportion of loans and discounts, but from the nature of the dealings of the place. Our dealings with natives were chiefly advances upon the security of Company's paper, and there was a difficulty in getting bills to any great amount, such as to satisfy the condition of having two good names.

502. Is the bank in the habit of making issue upon bullion deposits?—I do not remember any issue upon bullion deposit; but it was proposed to make loans upon bullion or any other article not liable to material fluctuation of price or diminution of value.

503. What have been the dividends payable on the bank stock of late years?—I have known them as high as 15 per cent. per annum, but the average I should suppose may be taken as between nine and ten.

504. Is that nine and ten per cent. upon the capital of 500,000*l.*?—Yes.

505. When you left Bengal, what was the dividend last received?—I think the last dividend was at the rate of eight per cent. per annum; but there was a reserve made in consequence of the apprehension of losing by the forgeries, and the certainty of some law expenses.

506. At what did the bank stock sell when you quitted India?—At about 50 per cent. premium.

507. Would not the establishment of other chartered banks tend to bring down the selling price of the stock?—I should imagine it would; but the effect would depend principally upon the government receiving their notes in payment of its revenue.

508. Do you think it a desirable thing, when the government has power to give a franchise to other chartered banks, that it should refuse to grant that charter in any case excepting that in which it is itself a partner?—No, I think it ought not to refuse a charter upon that principle; but before chartering a bank, it seems to be necessary to fix precisely the rules on which it is to be conducted, and the subscribers should I think be required to let their dealings be controlled by the government; for a charter from the government would in India give a bank the character of a government institution, to a certain extent at least.

509. Has it not a bad appearance that the government should give encouragement to a monopoly of this nature in which it is a partner?—I do not attach any importance to that consideration, because I think that the government share of 100,000*l.* is so small as not to have any sensible influence in determining the course of their proceedings.

510. Do you think the intervention of government inspection necessary where a charter is granted for a bank?—Yes, I think so, upon the principle that a charter would give it the character of a public institution.

511. What amount of paper has the bank habitually out?—I think, on an average, about 800,000*l.* of paper.

512. Is all that paper payable on demand?—Yes.

513. And at sight?—Yes.

514. What sized notes are they?—They vary from 10 rupees up to 20,000.

515. Is the larger proportion of the circulation in large or in small notes, or in what sized notes?—The largest proportion, I should imagine, is in notes from 100 rupees and upwards.

516. How far out of Calcutta does the paper circulate?—It circulates to Bahar, but the circulation depends chiefly upon the receipts of the government treasuries. In Benares and the Western Provinces, where there is a separate currency, the government do not receive the notes of the bank; and they cannot well circulate in the interior unless taken at the public treasuries. Probably there would be some circulation of notes in Benares, if the government did receive them into the treasury at that place.

517. Are the notes all sicca rupees?—All sicca rupees.

518. Is there any other paper that the bank circulates in the shape of bank post-bills?—It has of late years offered to issue bank post-bills, with a view to securing remitters against robbery; but they were not taken to any great extent.

519. Has it any connection with the Presidencies or any other part of India?—No, it has not.

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520. Do its notes circulate among the natives with perfect confidence?—I believe with perfect confidence.

521. Do they circulate with perfect confidence in other parts where it is not received as revenue?—I believe they do not circulate there at all, but I should say that the cause is not want of confidence.

522. Since the establishment of the bank, has the tendency been gradually to increase the circulation of paper, and is the circulation of the paper still on the increase?—Yes, I apprehend there has been a decided tendency to increase: for some time a circulation of 50 lacs was thought sufficient, and the issue of the bank was restricted to that amount under the old charter; but the amount was found to be too small, and its notes sometimes bore a small premium.

523. Is there any restriction upon the issue now?—There are two restrictions: the one a practical one, which is that it shall always reserve cash equivalent to a fourth of its obligations, payable on demand; the other that its circulation of notes shall not exceed two millions, but this does not operate practically, there never being a demand for notes nearly to that extent.

524. Has not the export of bullion been concurrent in point of date with the extension of the issues?—I do not think precisely so; and there seems to me to be no connection between the two things, though it be true that the export of bullion has occurred since the issues of the bank were extended; the course of trade and the exchanges with England having altered since that time.

525. Since the establishment of this bank, has not the existence of a paper currency, to which entire credit was attached, been found to be a great facility in the general commercial intercourse with the country?—I should think very great facilities have been experienced in Calcutta; beyond that, the notes have not circulated much, but come almost immediately into the Company's treasury; and although they furnish the merchants and the Company with a convenient means of remittance, they can scarcely be said to exist in the interior as a paper currency. In general, indeed, payments in the districts, even in the provision of the staple articles of commerce, are made in such small sums, and the population is so poor, that there is scarcely any room for a large circulation of bank paper.

526. Does not the fact of the paper being receivable in the public treasury, make it also current between the larger dealers in the provinces?—To a certain extent probably, but not I believe to any large extent; in general the currency used by native dealers is the coin of the country.

527. Have there been attempts at any time to establish any branch agency?—No, there has not.

528. What other banks are there at Calcutta that issue paper?—I believe there are only two banks that issue paper at present.

529. What are they?—The one is the Bank of Hindostan, of which the proprietors are Alexander & Co.; the other is the Union Bank, supported by an association of subscribers. There were two other banks; Messrs. Palmer & Co. had a bank for a short time, and there was another bank managed by Messrs. M'Intosh & Co., called the Commercial Bank, that has now ceased.

530. Do they issue paper payable on demand, in the same manner as the Bengal bank?—Yes, they do.

531. Of the same description of paper?—Yes.

532. Can you state to what extent that paper circulates?—I believe it is confined to Calcutta.

533. To what amount?—I have had no means of accurately ascertaining the amount; but I have understood that before the bank of Bengal extended its issue, the Hindostan Bank had a very large circulation, to the extent of 400,000*l.* or 500,000*l.*; but I have no doubt that their issues have been much contracted of late from the extension of the Bengal bank paper, and other causes.

534. Do you suppose that the whole circulation of these banks, taken together, may be equivalent to the amount of the bank of Bengal, at the present moment?—At the present moment, I should think not.

535. Do they amount to one half?—I should think not.

536. Has the paper, upon those other banks, been upon the decrease ever since the establishment of the bank of Bengal?—Not, I believe, until the bank of Bengal was enabled, by new charter, to issue notes to the extent required by the public; and the chief decrease, I apprehend, has taken place since there has been a failure in the credit attached to the different houses of agency.

537. Among those other banks, what number have stopped payment, at any time?

time?—I only remember one, Messrs. Palmer & Co., and they had in fact ceased to have a bank before they stopped payment.

538. Had it any paper out when it stopped payment?—Yes, some notes that had not come in; but it was not at the moment issuing notes.

539. Did any of the natives or any of the inhabitants suffer from holding their notes?—They must to a certain, but I imagine very limited, extent.

540. Was there any hesitation or stoppage on the part of the other banks?—I am not aware of any such circumstance.

541. Did this affect the credit of the others generally?—It affected the credit of the bank of Hindostan considerably. The Union Bank had just commenced, so that the only bank at the time of considerable importance in regard to the extent of its issues was the Hindostan Bank.

542. Did it affect the credit of the Bengal Bank?—Not materially; but for a day or two the natives were bewildered. Their general impression had been that Palmer & Co. had as good credit as the Company, and for a time there was a general vague alarm as to all securities.

543. Has the bank of Bengal its annual statement of affairs made public every year?—Twice a year a statement is submitted to the proprietors and sent to the government.

544. Is there any auditor appointed to look into it, or do the proprietors take the statement as it is given?—The proprietors take it as it is given.

545. Is the account published?—No; but there is no objection to its being published.

546. Is it read at the annual meeting?—Yes, but meetings generally consisted of the directors and one or two proprietors. Indeed I only recollect one proprietor not a director who made a point of attending.

547. There is no secrecy observed respecting it?—No.

548. Is the maximum of the dividend that they can receive limited?—No; they are entitled to receive the whole net profit as exhibited upon the balance sheet.

549. While you were there was there no instance of the bank deposit falling below the one quarter of the issue of paper: you have stated that you are limited to having one quarter of your issue in bullion; was there no instance of the bank's deposit falling below one quarter?—It has occasionally fallen below the prescribed standard, when there has been a demand for cash.

550. When it so fell below, to what means did you resort to bring your affairs back?—The discount necessarily limited, or altogether stopped.

551. Were there many instances in which the bank, for the purpose of righting itself on these occasions, produced great inconvenience to the place by withdrawing the ordinary facility?—Whenever it refused the usual accommodations it must have had very considerable effect; and it was generally the object of the directors, at least latterly, by raising the interest in time, to prevent the necessity of an absolute stoppage of accommodation before we approached the limit. I cannot say that we always succeeded. There was I think too great a reluctance to raise the rate of interest, and we doubtless committed other mistakes.

552. Was there sometimes a complaint that the sudden measures of your mode of proceeding distressed the general trade of the place?—Yes, there were complaints of that.

553. Did not those occasions generally arise from your having overstretched your accommodation to government, and not to individuals?—They arose to a certain degree from our having more government paper than we ought to have had, but that was not an advance to the government.

554. When you were in the habit of having government paper, did you find it easy to sell government paper and make money of it?—We did not find that we could sell our government paper so easily as we wished when money was wanted.

555. And were obliged to have recourse to other means to lessen the obligations of the merchants, from the inability of making use of that?—Yes.

556. When you made the four per cent. loan, was that an occasion when you were so obliged?—No, we had then an excess of cash.

557. Does the proportion in which you make advances upon private bills depend at all upon the difficulty of finding bills with two good names to them?—I think chiefly; indeed I am not aware of any other cause.

558. Do you consider, from your knowledge of the commercial circumstances of the country, if there were to be allowed a system of complete freedom in banking at

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Calcutta, the competition at the various banks which might be established would lead to greater fluctuations in the change, and by that means to great uncertainty in trade?—No, I think there is no objection to perfect freedom in banking, with the proviso I have above stated, in reference to the fact that a charter would imply a recognition by the government; otherwise I see no reason for any special restrictions in India. The danger lest bankers should push their issues without a sufficient reserve of funds, is not I suppose peculiar to that country.

559. If the Committee understand you, the condition that you would make of any bank receiving a government charter, is maintaining publicity in its affairs?—That is the chief condition; the rules by which it is to be guided being previously approved.

560. Did not the Hindostanee Bank, at the period of Palmer's failure, meet its demands with promptness?—I believe with entire promptness.

561. And the other banks?—The other banks, except the Union Bank, had ceased to exist; and that bank had, I believe, little paper in circulation.

562. How many years has the bank of Hindostan been established?—I cannot answer that question; but I believe long before I was in India.

563. Sixty or 70 years?—I rather think so; but I am not acquainted with the fact.

564. Do you not think it very unfair that their paper should be refused in circulation at the Company's treasury?—No; because it is quite a private concern; and further, they have, I believe, made use of their bank notes largely in supporting their commercial speculations.

565. If deposits of the Company's paper were made, do you see any reason why they should refuse?—Yes; I think the taking of notes would be a recognition by the government of the security of the bank, beyond what it would be justified in doing, without inspecting its proceedings.

566. Would it not be fair to put all the banks upon an equality?—The bank of Bengal has government directors, and lays its accounts before government regularly. We have no control over the private banks; and I should object particularly to banks having any direct concern with commercial speculations.

Sabbati, 3^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

Holt Mackenzie, Esquire, called in; and further Examined.

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567. YOU mentioned that the capital of the bank was 50 lacs of rupees?—Yes.

568. Is that a capital paid up, or only subscribed?—It was paid up.

569. How has it been disposed of; is it vested in government securities?—A part is vested in government securities, and part remains available for other purposes.

570. What proportion is vested in government securities?—It has varied from time to time. There is no precise sum absolutely vested in those securities; the amount purchased and held is discretionary with the directors.

571. Then it may be considered in fact as still part of the current assets?—Yes, in so far as sales can be effected when wanted.

572. There is no engagement with the government, that the bank shall continue to hold any part of that government security?—Not now. There was formerly a stipulation with government, that the bank should lodge 20 lacs of rupees of Company's paper in the general treasury; but at the time the present charter was given to the bank, it was released from that engagement, and left at liberty to dispose of its funds as was thought best, subject to the provisions of the charter; and though the arrangement was not I think approved at home, the stipulation has not I believe been revived.

573. Was that one of the points of controversy alluded to, between the government at home and abroad?—I think it was.

574. Supposing

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574. Supposing the government to make the bank their treasury, as was suggested in a question the other day, should you conceive that their cash would be reckoned with the other cash of the bank, so as to admit of an issue not exceeding three-fourths of it?—I should apprehend it would be absolutely necessary to regard the government cash, distinct from the cash of individuals, as being more liable to be suddenly withdrawn.

575. You mentioned that the notes of the bank were issued for sums from 10 rupees to what amount?—Ten thousand is I think the highest amount.

576. Is that minimum of 10 rupees a legal limitation?—I believe not.

577. There is not a similar limitation on the issues of the private banks?—There is no restriction whatever imposed on them.

578. Do they in fact issue notes of a lower amount?—I believe not.

579. Are the greater part of the transactions in Calcutta of 10 rupees in paper or in coin?—I should imagine in coin, even in Calcutta; in the interior of the country it is certainly so.

580. How are the transactions of 100 or 200 rupees?—In Calcutta generally in bank notes, excepting government issues for the public service. In the provinces the majority of transactions, a great majority I should think, are in coin.

581. Is there any silver coin in circulation larger than the rupee?—No.

582. Is the gold coin much in circulation?—It cannot be said to be at all in circulation.

583. What value in rupees is the lowest piece of gold?—There are quarter mohurs, the mint value of which is four rupees. But I do not remember the government having ever coined gold below the mohur: and though half and quarter mohurs would be coined at the request of individuals, I cannot say how far it has been actually done.

584. Is there not a species of security called treasury notes, in Calcutta?—Yes; they will be found mentioned in the statement furnished in the reply to the questions of the Board.

585. Do not they partake of the nature of exchequer bills in this country?—They are promissory notes, payable at a specified date; and intermediately they are receivable in payment of government demands at the Presidency.

586. You have stated in your letter, that a better plan might have been adopted for the management of treasury notes, and payment of interest; to what particular class of notes do you allude, and how would you remedy the inconvenience to which you allude?—I alluded particularly to the condition of the remittable loan, by which the government bound itself to grant a remittance at a specific rate. Looking back, with the advantage of actual experience, I must confess that it was a blunder to come under the obligation of giving a remittance at any specific rate, and especially at the rate of 2 s. 6 d. for the rupee.

587. You object to their binding themselves to pay the amount in England?—Yes; I think it was a blunder, though I was among the blunderers. And I am also of opinion that the rate of remittance on the 5 per cent. loans ought to have been sooner changed by orders from home.

588. Is it your opinion that all loans necessary in India should be made payable there, as a means of preventing the great changes which must take place in the currency, by large and uncertain remittances being made in payment of interest?—I think that all conditions relative to the remittance of principal or interest should be carefully avoided hereafter, in loans made in India. I should also add, that I believe the home authorities saw the probable result of the option of remittance given to the public creditors, earlier than we did in India, and that their instructions were against coming under such a stipulation; whereas the local government yielded too readily to the considerations in favour of the measure, and particularly to the facility which the temptation of a fixed and favourable remittance gave to the raising of money by loan.

589. Would not the omitting those conditions, the rate of exchange at which the interest shall be drawn for and paid in England, prevent the remission of a large sum of money annually for India, in payment of this interest; at least prevent the remission by government?—Certainly.

590. You have stated your opinion, that it would not be convenient that the treasury of the government and the treasury of the bank should be united; in what manner is the loose money, or what may be called the balances of the treasury of the government, kept in Bengal?—It is kept in Calcutta, in what is called the general treasury, under the joint keys and the joint responsibility of the sub-treasurer,

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surer, who is a covenanted civil servant of high standing and with a large salary, and of the native cash-keeper, a native of respectability and wealth, who gives security to a considerable amount.

591. Is it kept in specie?—Partly in specie and partly in bank notes; bullion is generally kept in the mint, which remits immediately as it coins to the general treasury.

592. About what may be the average amount of government treasure so kept?—It has varied greatly; I could not immediately state the average. The general impression was, that if the balance was not about 50 lacs of rupees, or 500,000*l.*, it was insufficient, but it varied greatly; and the sum necessary to be reserved depended partly on the season of the year, according as a surplus of revenue might be coming in, and there might be a prospect of a large demand.

593. So that as far as your recollection goes, you consider 500,000*l.* to have been the minimum of what the government would consider it prudent to keep in their treasury, and that the amount generally considerably exceeded that?—I think that when the balance was under 500,000*l.* we considered the treasury to be too low, but in difficult times it has certainly been much below that.

594. Did it ever exceed a million?—Yes, considerably so in 1822-23, when we paid off a large amount of debt, but ordinarily it was less than a million: towards the close of Lord Hastings's administration, indeed, there was a very great accumulation of cash everywhere, and the balance in the general treasury was then I should imagine greatly in excess of a million.

595. Did you ever know it to go to a million and a half or two millions?—I have no doubt there must have been two millions at the time we were preparing for the payment of several millions of debt, and the spare balances of the provincial treasurers were brought down to the presidency treasury.

596. When there was no accumulation for the purpose of paying off a loan, and the government was in the transaction of its ordinary financial concerns, did the balance then run from 500,000*l.* upwards?—That was the sum we generally wished to have in reserve, but in difficult times the balance has frequently fallen considerably lower.

597. This balance was locked up in the coffers of the treasury in specie?—What was not wanted for current disbursements would remain locked up.

598. Had the government, besides that balance so locked up, some balance on their account current with the bank?—They kept no account current with the bank.

599. The whole of their surplus balances were kept in specie in the treasury?—The general treasury had only the surplus required in Calcutta. There were likewise considerable balances in other treasuries throughout the country: every political resident's treasury, and the treasuries of the several collectors, had balances to provide for the disbursements necessary in the several branches of the public service; the paymasters also have generally some balance, and the total cash balance of India has usually been from five to six millions sterling; in the last estimate it is, I think, about seven millions.

600. Were you sensible occasionally that the large accumulation of specie so locked up by the government, occasioned corresponding derangement in the circulation of the place, and that the government's taking in or letting out produced corresponding scarcities or abundance of money?—The only time that I remember any great accumulation taking place beyond what was deemed necessary for the unembarrassed currency of affairs, was contemporaneous with a very large import of bullion into Calcutta, and a general abundance of money; that was at the expiration of Lord Hastings's administration, and the accumulation in the government treasury did not then perceptibly, I think, occasion any difficulty in the money market, there being indeed a general abundance; but the subsequent issue in payment of the debt had the effect of throwing upon the hands of the public creditors and others much money, which they had a difficulty in using: the accumulation in the government treasury would probably have been seriously felt, but for the circumstance that it was contemporaneous with a very large import of bullion into Calcutta: and at other times it is probable that too much may have been occasionally accumulated; but ordinarily the object of government was to restrict its cash balance to what it considered necessary for the current business: and at the general treasury of Calcutta we had to provide for uncertain demands from various quarters; thus I have known the bills drawn from China, within a short period, amount to about 400,000*l.*: and the governments of the other presidencies and the

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King's Government occasionally made large demands upon it; to meet such calls a considerable reserve was necessary, but the amount is not to be regarded as a fixed sum locked up.

601. Did not the uncertainty of the demand occasion your keeping a much larger balance in the treasury?—Yes; if all demands had been quite regular, a smaller sum would have sufficed, but we had also to provide for occasional deficiency of revenue.

602. At what sight are the bills drawn from China?—Generally, I think, at 90 days' sight.

603. Would it not materially facilitate the operations of the bank, and the circulation of the place, if the treasure of the government were kept as the treasure of this Government is kept, in the coffers of the bank, and there were also a general circulation of the bank's paper?—I should think not; it appears to me that it would be unsafe for the bank to be exposed to all the demands which the government has to meet, unless (what would defeat the object of the arrangement) the bank kept in its coffers the money which the government now reserve in their treasury: for the demands upon the government are too uncertain and too large, contrasted with the ordinary commercial transactions of the bank, to allow of its applying the same principle to both; and I should fear that embarrassment would probably result from their being so connected as the question supposes, it appearing to me that the government is too large a customer for a bank of so small dimensions.

604. What fluctuation have you known in prices or in the interest of money, at the time of the government paying off any of its loans, in consequence of having a large balance in the treasury?—I think that on the occasions I have referred to, there was a fall in the interest on loans with perfect security, of from six to four per cent.

605. Have you ever known them reduced from eight down to five per cent., in consequence of suddenly paying off a loan?—No; I should think eight per cent., at the time I am speaking of, was higher than houses of perfect credit gave.

606. Have you ever known a great rise take place of salt and opium suddenly, in consequence of government paying off its loan?—I believe the price did rise very considerably; I cannot bring the particulars to mind at this moment.

607. Is it not desirable, if possible, for the government to avoid occasioning such sudden changes in the abundance of money, if it can be avoided?—Certainly.

608. Is not the present system objectionable, if it occasions such sudden fluctuations?—I think the desirable mode of discharging debt is to pay it off gradually, instead of by large sums.

609. Would not any means which rendered available for the country any excess of balance which the government may have in its hands, tend to prevent any such sudden fluctuations; if the excess in its hands be beyond that it thinks it prudent to keep, and that could be made available to the currency of the country, would not that be preferable to the present mode?—Such an arrangement would certainly be beneficial, but it does not immediately strike me in what mode the object could be accomplished.

610. Does the bank allow interest upon deposits?—No.

611. Have not very great fluctuations in prices taken place, in consequence of government wishing to convert a remittable loan into an irremittable, and also to pay off the loans of eight and six per cent., by raising loans at five and at a lower interest?—I believe the operations referred to did cause considerable fluctuations.

612. Are any such rises and falls likely to take place hereafter, now that the debt is brought there to one standard?—That will depend on the amount paid off. Of the old five per cent. loan, of which a portion has been advertised for payment, one of the conditions is, that not more than a million and a half shall be discharged in any year. But even the issue of such an amount would, I apprehend, cause a considerable fluctuation in the money market: that in India is comparatively limited, and the operations of government must consequently have a much wider effect than they would in a richer country.

613. When in 1823 the old five per cent. was paid off, did not the interest fall in Calcutta to two or three per cent.; and when the Company advertised for a new five per cent. loan, did it not rise immediately to eight per cent.?—I do not remember interest so low as two or three per cent., four per cent. is the lowest I remember. Soon after this the Burmese war commenced, and the government first opened a four per cent. loan; then interest rose I believe to between five and

six per cent. The five per cent. loan which was subsequently opened, operated in fact as a six per cent. loan, until the four per cents. were absorbed by it: and the private houses were exceedingly pressed for money in consequence of the large sums which government borrowed; they gave, I believe, not less than eight per cent.

614. Exclusive of loans for payment in India, have you ever known money borrowed in India to send home to pay off bonds here?—We have been borrowing money at the time we had to remit bullion to England, but the bullion was required to pay off the debt from the territorial to the commercial concern.

615. Has not money been borrowed in India, and remitted to pay off bonds in this country?—Not that I am aware of.

616. Are there in Calcutta any men of capital who speculate largely on those sudden transactions of government which produce such sudden changes in the value of money?—I do not believe there is much speculation of that kind. The native money-dealers are always indeed looking out for any advantage they can make by the wants of others; but I have never heard of any extensive speculations such as the question describes.

617. You do not think that any undue advantage is enjoyed by any individuals in knowing beforehand the secret intentions of government with respect to such transactions?—No; as far as my experience goes, I have never had reason to believe that such was the case. In general, the moment government has resolved on any measure of the kind, notification has been stuck up at the general treasury, and the advertisement in the gazette has followed as soon as possible.

618. You have stated, that the treasure held at the different treasuries of the Company, under the Bengal presidency, amounts in your opinion to five or six millions?—I spoke of the cash balances in the whole of India; that of the Bengal presidency is probably about three millions, and the remainder is in the treasuries subordinate to Madras and Bombay.

619. Is there any one treasury which possesses nearly to the same amount of 500,000*l.*, as the minimum of the treasure?—No; but in several of the provincial treasuries a considerable reserve is also necessary: at Benares and Furruckabad, for instance, there are treasuries on which bills have frequently been negotiated to a large extent, especially for the supply of the troops in the Deccan, and which might be considered as general treasuries for the Western Provinces. The Moorshedabad treasury is required to have a larger balance than others in Bengal, because of the payments to the nizamat there, and the advances required by the commercial branch for the purchase of silk; but in none is there nearly so large a reserve necessary as in the general treasury at Calcutta.

620. Do you not think that much larger balances were kept in the treasury, to meet the orders which the Company sent out respecting their investments, and that that occasioned a very considerable uncertainty as to the amount to be kept?—I do not think that the Company's commercial orders have occasioned much uncertainty in any of our financial arrangements; the demand on that account being comparatively steady.

621. Do you think, if the Company's payments were limited to territorial payments, and receipts from that, the balances would be so large as they have been?—No; they would certainly admit of some reduction.

622. Would not in that case the difficulties which the general commercial transactions have experienced, be much less frequent than they have been?—I do not think that any material effect would result from that cause.

623. The uncertain demands you say have increased the balance very much; if they were put an end to, would not there be a less balance necessary?—The Company's commercial transactions having been comparatively regular, I do not think they have had much effect on the money market, through their influence on the financial arrangements of the government.

624. Did the Court of Directors ever complain that the balances kept in the provincial treasuries were too large?—Yes, that was several times the subject of directions from home.

625. Why were not their instructions attended to?—I believe they were attended to, as far as was thought expedient; but I do not mean to say that the thing was always squared as it might have been, though the attention of the accountant-general was particularly directed to the subject; my impression is that the Indian balances have been frequently too large.

626. How was it proposed they should employ those balances, if they should reduce

reduce them?—They would naturally be appropriated to the payment of debt, if not otherwise required.

627. Did not the purchasers of salt and opium in 1822 and 1823 sustain enormous losses, in consequence of the rise of their prices on paying off the loan?—It is likely that they may have sustained loss by the subsequent difficulty of raising money when government again borrowed; but I do not recollect that that fact was as stated.

628. Did not the purchasers of salt and opium frequently apply for relief in the clearances of their purchases; and has not that been usually granted by extending the time of clearance, or anticipating the payment of half a year's interest upon the public debt, or by other means?—There have been frequent arrangements adopted in that respect.

629. Do you recollect that before the Burmese war ten or eleven millions were collected with a view to paying off debt?—I have already mentioned the great accumulation at the termination of Lord Hastings's administration.

630. For what object was that great accumulation?—I cannot say that it was with any distinct object; it arose partly from unexpected circumstances; and his Lordship had not, as far as I know, made up his mind as to whether he should pay off debt in India, or wait the instructions of the home authorities, who he thought might desire to apply the surplus to other purposes: a large amount of bills had been previously drawn on the home treasury, in liquidation of the principal and interest of the debt.

631. How long do you remember that large balance remaining?—I do not remember the time; but immediately that Mr. Adams succeeded to the government he acted upon his own view, which coincided with the advice of the financial officers; and proceeded to pay off part of the debt, and to reduce the interest of the remainder, in so far as it was within the option of government to do so.

632. Besides the two per cent. which is the seignorage charged on coining silver of standard value, is not an additional per centage charged for refining, if the silver is not of the standard value?—If the silver is below the dollar standard, which is I think five or six worse than that of the present rupee, a charge is made for refining, but not otherwise.

633. What additional per centage is charged for the refining, on silver below the standard?—It varies according to the worseness.

634. From what seignorage; up to what state, the greatest and the least?—I cannot state that without referring to the mint table, which is annexed to No. 14 of the Bengal Regulations of 1818. The seignorage is fixed uniformly at two per cent. on the produce, after allowing for the difference of standard, and deducting the charges for refining, when such are chargeable, at rates varying for each half dwt. of worseness, which are specified in the third column of that table.

635. Has much coin been usually taken to the mint by individuals for re-coinage?—Of late comparatively little.

636. What is the mode of proof when individuals take bullion or coin to the mint; is the new coin immediately advanced to them, or what interval elapses?—The general interval I think is about three weeks. When the bullion is delivered in to the mint, it is examined, weighed and passed through the fire, and specimens sent for assay to the assay-master; the mint-master grants to the proprietor a receipt entitling him to a certificate from the assay-master, for the net produce, calculated according to the table which I have mentioned. That certificate is payable at the general treasury, and is intermediately receivable in payment of government demands, or may be negotiated.

637. For how much per cent. of the supposed value of the coin do they issue this mint note?—To the full value of the bullion, deducting seignorage and other charges, if any, of coinage.

638. Within how many days after lodging the coin or bullion at the mint?—I am not quite sure. I believe ordinarily within a week, but I have known times, when the import was very large, that the period was considerably more; but when the amount brought for coinage is moderate, it will be done within a week.

639. Is the coinage of India well executed?—The old coinage was but poorly executed; in the present Calcutta mint it is, I believe, very well executed.

640. Did the finance committee that sat in Calcutta, recommend any means by which the expenses of the mint, now exceeding its receipt, might be diminished in future?—No, they did not. The new mint had not been fully established; and they had not materials to come to a clear judgment.

641. Are you aware that any measure can be recommended to prevent the mint being an expense to government, supposing the present system of currency to continue?—I think it probable that the net expense may be diminished ultimately, by having one currency for all India, which may be expected to give the mint fuller employment; and it is possible, I conceive, that the Madras mint might be discontinued, but I could not satisfy myself on that point before I left India; the matter was under consideration. There is another source of gain to be set off against the mint charges: the mint having greater powers than are required for the coinage of silver, has been extensively employed on copper coinage, which yields to the government a large profit; the copper money being issued at the rate of 64 (weighing 6,400 grains troy) for the rupee, which is, I believe, about 100 per cent. above the value of the copper. There was also a scheme under discussion for coining spelter, in the expectation of displacing the cowries or shells now used as a currency in petty market dealings.

642. In a financial point of view, you consider that one currency and one mint might be the means of saving a considerable expense in that department of the government?—I should think so.

643. Can you state what sum of money the buildings and machinery of the new mint cost?—I suppose it will have cost about 200,000 *l.* before it is completed.

644. You cannot state whether the interest on the capital expended is likely to be met by the seignorage taken?—It depends greatly on the amount of bullion imported from different quarters, and the proportion left for local circulation. I am afraid in the present state of trade it will not pay.

645. Taking the bullion, on the average of the last five years, do you think the seignorage is likely to cover the interest upon the capital expended?—I am afraid not. The seignorage is likely to be small; the import of bullion being now comparatively limited, and the export increasing.

646. Must not the quantity of copper coin that can be issued be limited in extent, inasmuch as it is in the nature of tokens, being issued at this high nominal value beyond its real value; inasmuch as no holder of the copper tokens would think of melting them down for the purpose of converting them into ingots of copper, therefore must not this profit be to a very limited extent?—The observation is certainly quite just; but several millions of pieces have been struck, and the demand it was understood was not confined to Bengal, but extended to the eastward. So extensive and populous a country may take a large supply, but of course it must be limited by the considerations mentioned.

647. It had not ceased?—No, it had not when I left India.

648. Has it ever occurred to you in what way, supposing the Indian government were to cease to pay the dividends of any portion of the loan in London, individuals resident in England would realize their dividends?—They must necessarily employ agents to remit their dividends either in bills, bullion or goods, or arrange with some establishment at home to receive the amount. There may, I fear, be for a time some inconvenience to the individuals, particularly those who have left their loan property in charge of the government agents; and our notion in Bengal was, that so long at least as the system continued on its present footing, the Company might offer to the parties a bullion remittance, affording to their creditors the benefit of their agency if they chose to use it in remitting bullion, but leaving them at liberty to get better terms if they could from private merchants, or to manage the remittance themselves.

649. Is there not something incompatible in a government officer being employed in this remittance?—A large portion of the loan property belonging to absent creditors is under the management of the accountant-general and sub-treasurer, in their capacity of government agents, as it is called. These officers buy and sell and transfer, and receive and remit the interest of promissory notes, which individuals lodge with them, under the guarantee of the Company, at an extremely moderate charge: and the arrangement has been felt to be a great convenience and security to the public creditors, especially those who have returned to England. The remittance by Company's bills being stopped, it would certainly, I conceive, be a considerable advantage to those persons if they could have a bullion remittance through the same agency, and that of the India House.

650. Do you see any difficulty likely to arise, in case the present remittable debt is paid off, in persons providing the means of remittance for themselves?—There cannot, I think, be any serious difficulty, though there will probably be some loss.

651. Do

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651. Do you mean to say that the restriction to the government officers so acting is, that they may remit the Company's paper, but that they cannot take other paper in the market?—The government agents were originally restricted to remittance by Company's bills; they have since been authorized to buy private bills, when specially directed by the parties employing them, without however the security of the government guarantee; but they are not allowed to ship bullion or other merchandize.

652. Is that a restriction on the part of the person who entrusts them with the receipt of his dividends, or on the part of the government?—The restriction was imposed by the Company's government, in the rules under which the agency was established, by which the government made itself responsible for the due discharge by the agents of the trust confided to them. With reference to that responsibility and other considerations, it was an object to confine the agents to transactions not likely to cause any risk of loss or dispute, and such as could easily be managed by them without hindering their other duties.

653. Is a commission or compensation allowed to government officers for the transaction, for themselves, or does that go into the Company's funds?—Originally the fees belonged exclusively to the agents; lately, in raising the salaries of the offices held by covenanted civil servants, the supreme government determined that they should go into the public treasury, and that the agents should have fixed salaries, including an adequate compensation for the loss of the fees, and a due remuneration for this and their other duties. It was thought better, especially as regards the accountant-general, that they should not have any immediate personal interest in the fees of the agency.

654. Are not the rates of exchange between Calcutta and London, and between London and Calcutta, duly advertised?—They are regularly published in the price currents.

655. Are not the bills for interest on the loans belonging to individuals in England given to merchants in Calcutta, and are they not negotiable as well as any other bills?—Certainly; if they hold powers to receive the interest payable in bills.

656. You are speaking of the portion of debt the interest of which is not demanded in London?—In speaking of a bullion remittance, I referred to the debt of which the interest is not demandable in bills in London.

657. There is no portion of debt which can be demanded in London, which is demanded in Calcutta?—All that is demandable in London, being the interest of the six per cent. loan property belonging to residents at home, must, I apprehend, be taken out in Company's bills; and until very recently, the option of a remittance by those bills was given to such of the holders of the first five per cent. loan as were resident here, and to all the proprietors of the later five per cents.: but that remittance was not demandable of right.

658. Can you state on what portion the interest is remitted to England annually in the way you have stated?—The six per cent. remittable loan is the only part of our Bengal registered debt on which a remittance is now given, and that only to creditors resident in England. The amount remitted in the year 1829–30 is stated by Mr. Melvill at 300,000*l.*, the whole interest of the loan being 466,900*l.* The issue of bills in liquidation of the interest of the five per cent. loans, of which 449,000*l.* is stated to have been demanded, has now been stopped.

659. The option of bills at home has been taken away from two descriptions of creditors?—Yes.

660. By the regulations of the Bengal Bank, four to one is the ratio of paper issued to the cash reserved?—Yes.

661. You have stated that the bank of Bengal invested 25 lacs of rupees in the government four per cent. loan of 1824, at the commencement of the Burmese war; did not that arrangement, in fact, reduce the means of accommodation to the public to the extent of one crore, or a million sterling?—No; for the bank at the time had a large excess of cash in its coffers, and it still reserved a greater sum than was necessary to cover the amount of notes which it could keep in circulation. The issue of notes is limited rather by the circumstances of the market, than by the condition in question; their use in private transactions being chiefly for the trade of Calcutta, and for remittance to the interior through the government treasuries.

662. The Company's servants are generally restricted from trading on their own accounts, are they not?—All civil servants, excepting the commercial servants, are

so restricted ; and they are under restrictions as to agency and partnership, which I do not precisely recollect.

663. What do you call commercial servants?—They are chiefly the officers called commercial residents, who provide silk, cotton and sugar, and the other articles which are purchased in the interior of the country for the Company's commercial investment ; also the officers of the board of trade and warehouses in Calcutta.

664. Do you not conceive that the commercial servants are more particularly that class of servants which should be restricted from trading, if any should be so restricted?—I think all government officers should be restricted from trade.

665. Would it not more especially be necessary that those persons who trade for others should be restricted from mixing up that trade for others with a trade of their own?—Yes, I should think so.

666. Can you state what is the number of Company's servants who are enabled to trade under this regulation?—I think about 20 at present.

667. Do you know when the distinction took place between the commercial and political servants?—I suppose it originated in the Act of Parliament which prohibits any person employed in the management of the revenue or the administration of justice from being engaged in trade. In old times, I imagine, all were permitted to trade.

668. In fact, during your residence in India, did the Company's commercial servants trade on their own account to any extent?—Some of them, I believe, traded to a considerable extent.

669. The commercial servants of the Company were formerly paid by commission upon their outlay, were they not?—They were.

670. Were the Company's commercial servants employed as agents by other individuals?—I rather think they were ; but I cannot speak positively to the fact. There is now a prohibition against their being so employed.

671. Do you know whether their agency for individuals was more or less expensive than that of other persons?—I imagine they would be employed by individuals only if their agency was found profitable to those who employed them ; but I have no means of knowing the facts.

672. Do the captains of the Company's ships always carry on a trade on their own account?—I believe always.

673. With regard to the agency of the Company's servants for the public, was it more expensive than the ordinary rate of commercial agency performed for individuals?—I believe the rate of commission allowed by the Company to its servants, was considerably less than that paid by private merchants to individuals : as to the other charges and expenses arising out of the system, I cannot state particulars in a satisfactory manner.

674. You do not allude to the expense of building and so on?—No ; I have no means of stating those accurately.

675. What was the rate of agency paid by the Company to their commercial servants?—I think two-and-a-half per cent., subject to limitation when it amounted to a certain sum.

676. The Company providing all the buildings?—The Company providing everything.

677. Are not all the Company's servants indiscriminately allowed to be shareholders in the bank?—Yes, I believe indiscriminately.

678. That is under the Act of Parliament, is it not?—It is.

679. Do you conceive that any of the objections to their trading in general, apply to their trading to the extent implied in this connection with the bank?—No, I think not. It is a corporate body, acting under strict rules ; they are very few in number ; and as far as my experience goes, the bank proprietors have exercised little or no interference in the management, except in electing the directors, and that was done chiefly by the houses of agency in Calcutta.

680. Are there any other exceptions besides those you have mentioned, to the general restriction with regard to trade imposed on the Company's servants?—I do not immediately remember any others.

681. Medical officers have been allowed to trade, have they not?—Yes ; medical officers, when attached professionally to civil stations, are allowed to trade ; military officers are generally prevented from trading.

682. What is the largest amount of territorial revenue which you have ever known advanced in India for commercial purposes, in one year?—Speaking from recollection

recollection I should say about two millions ; but something less if, as I have been doing, we take the rupee at 2s.

683. Has it ever reached nearly that amount?—Yes ; and more, if we include all supplies to China.

684. Will you refer to Appendix No. 22, in the Report of the Committee on East India Affairs, p. 656, Parliamentary Paper 320, for the Session of 1831, purporting to be the amount of charges on the Company's annual investment in silk : in column 2, there is Cost of Provision, including commission and all charges of freight up to the arrival of the silk in Calcutta ; and in column 3, Charges whilst in warehouse at Calcutta, and shipping expenses : are you able to state whether the second column includes the cost for building and maintaining the warehouses and buildings connected with the provision of that investment?—I am not able to state whether that account includes any charge for dead stock.

685. Have you any means of knowing whether that is cash payment by the agent, exclusive of buildings, or inclusive?—No ; I do not know on what principle the account has been made up.

686. Is any interest allowed on the capital advanced in the providing the investment, between the advance and the return?—I believe no interest is charged ; certainly there is none in the account between the territorial and commercial departments.

687. Do you know whether very considerable losses have not occasionally arisen upon those advances?—I should imagine there must have been ; but I am not cognizant of the commercial accounts sufficiently to answer that question with precision. The commercial books will show every item of receipt and disbursement ; and there can, I conceive, be no difficulty in ascertaining at the India House every fact necessary to the fullest development of the Company's transactions.

688. At the time of the Burmese war, did not the bank of Bengal discontinue discounting for private individuals in consequence of its reduced cash balance?—Yes, it did occasionally.

William Leach, Esq., called in ; and Examined.

689. YOU are the Accountant of the India Board?—I am Senior Clerk in the department of Accounts and Finance. *William Leach, Esq.*

690. What is the nature of the business of the accountant's department?—To examine accounts relative to the Company's finances which come before the Board ; to report to the Board on subjects of that nature as they arise ; and to revise the correspondence on financial matters which comes before them for despatch to India, whether in the financial or other departments.

691. Which are the particular branches of correspondence which pass under the revision of your department?—The territorial finance, the commercial finance, and the mints and coinage.

692. Will you state what are the subjects usually treated of in those branches of the correspondence?—Instructions to the respective governments of India, and observations upon their measures, relating to the following subjects : the various heads of revenue and of expenditure in their several details, the loans and other means adopted for the supply of the Indian treasuries, the remittances required for the repayment of territorial advances by the home treasury, the appropriation of the surplus commercial profits realized in England, the public banks in India, the conduct of the mints and the coinage, the regulation and support of numerous retiring and compassionate funds for the benefit of the military and civil services, the funds permanently or occasionally deposited in the Indian treasuries, and other subjects of a miscellaneous character.

693. What process is followed in the revision of that correspondence?—Information is received from the India House, illustrative of every subject taken up in the correspondence, and further information is required if necessary, and the whole is very particularly examined and reported on to the Board. All the financial statements are examined, as far as possible, by the accounts which the office receive from India. These papers are printed copies of some of the letters to the Indian governments, containing the general reviews of the finances of each presidency, and of all India, which periodically pass through the office [*producing the same*] ; the subjects as well as the numerous figured statements in which undergo the examination described.

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694. Does any other correspondence pass through the department than that you have described, and if so what is its nature?—There is frequently referred to the department correspondence from other branches of the office, which contain communications on subjects connected with the finances. The correspondence with the Court of Directors upon their home finances, and the correspondence with various branches of His Majesty's Government upon matters connected with the Indian finances likewise pass through the department.

695. What is the description of accounts which are brought before the Board?—There are accounts from India relating to the revenues, the charges, the debts and assets, and the external and the internal commerce of the respective presidencies; accounts relating to the receipt and expenditure of the Home Treasury, accounts between the territorial and commercial branches; and accounts are also prepared in the department illustrative of the various subjects, either arising out of the different branches of correspondence or which otherwise require the attention of the Board.

696. What means do you possess in your department for examining the accounts or other statements in figures which come before the Board, and for the preparation of such as are required for their use?—A considerable number of accounts are forwarded from India annually, both of the receipts and disbursements of the governments, and of the debts and assets; the correspondence also is generally voluminous, and has many documents attached to it; and the financial consultations of the governments in India are forwarded to the Board.

697. Can you produce for one year the accounts and statements furnished to you from India upon the finances, and from the Court of Directors?—These are the annual accounts of the three presidencies [*producing the same*]; the Bengal estimates of receipts and disbursements for the year 1828–29, the actual accounts for 1828–29; the estimate was received in October 1829, the actual accounts in November 1830: the comparative statement of the estimated and actual accounts, and the commercial receipts and disbursements. The same are received from the three presidencies: there are also the sketch estimates, which are sent some months before the regular estimates, from each of the presidencies [*producing the same*].

698. What is meant by the term sketch estimate?—A prospective estimate, prepared six or seven months before the regular estimate can be completed. It is generally called a sketch or prospective estimate, as contradistinguished from the regular estimate.

699. Are those accounts which have been printed?—No, they are far more voluminous than any that are printed: abstracts of some of them are printed.

700. Are those the materials from which the annual statements for Parliament are compiled?—Yes, they are. Here are, further, the quick-stock accounts, which are the quarterly accounts of the debts and assets; the first in the official year being dated the 31st of July, the next the 31st of October, and so on.

701. Are those furnished to you from the India House?—They are, being either duplicates received from India, or copies made at the India House. Besides those accounts, reports of the accountant-general accompany them on each occasion, which enter annually into all the details and all the variations, under each head of revenue and of charge, during the whole period from the commencement of the present charter, at considerable length. An annual statement of the dead stock of each presidency accompanies these accounts. There are the same accounts of receipt and disbursement for Prince of Wales' Island, Singapore and Malacca, as for Bengal, Madras and Bombay. The reviews of the various heads of revenue and charge coming from some of the presidencies (like those now produced, which are from Bombay), are sometimes recorded in the consultations or proceedings of the government.

702. What is meant by the term consultations?—The record of the proceedings of the government in each department.

703. Do those form the whole of the accounts which they have at the India House?—No; they have more extensive and detailed accounts, consisting of the general books and the subsidiary books, &c.

704. Are you conversant with the nature of those books?—They are books in which the transactions of the government are kept in the form of double-entry, journals and ledgers.

705. Have you any accounts kept in that form?—The whole of the accounts are upon that principle. Accounts are also received from the Court of Directors, besides those from India, such as the accounts between the territorial and commercial

cial branches, and details of their expenditure on the territorial account at home, and various other statements called for, from time to time, as circumstances require.

706. Will you state what process you follow in order to ascertain that the statements submitted to the India Board, and submitted to Parliament, agree with the actual accounts?—The statements submitted to the Board are examined as far as our materials enable us, and further information is called for when requisite; but the accounts presented to Parliament are prepared by the auditor of Indian accounts, and by the accountant-general at the India House, and do not pass through the Board. Mr. Melvill, as the Committee are aware, is the auditor, and Mr. Lloyd the accountant-general.

707. Will you describe what course is adopted with respect to the Indian revenues, in order to ascertain whether all which ought to be collected is collected or accounted for under proper heads, that the receipts agree with the statement of collections, and that none but authorized disbursements are brought to account?—That is a process belonging peculiarly to the offices of audit, abroad and at home. The accounts are regularly audited in India in each year, and for the most part before they are sent home.

708. Those are matters of which you do not take cognizance?—Not in the way of audit; but much attention is given that every receipt or charge is brought to account under its proper head.

709. Are those matters of which Mr. Melvill, in the India House, takes any cognizance?—The accounts are checked by the auditor's office at home.

710. Will you state to the Committee what details are supplied by the India House as to the sums charged to the account of the territory at home?—The details are partly shown in the account between the territorial and commercial branches, which has been printed, from the 1st of May 1814 to the latest period, and laid before Parliament. (*Vide* Parl. Papers, 499 of 1830, and 168 of 1831.) It was likewise printed for the House of Lords on the 3d of June 1830. Besides that account, the Board call for the details of those heads which require explanation.

711. Is the account to which you have now referred framed upon a plan agreed upon between the Court of Directors and the India Board?—Yes, entirely so.

712. Is any account current between commerce and territory annually sent up?—An account current, adjusted annually, has been regularly received.

713. What is the nature of the examination which that account undergoes in the office of the India Board?—The examination which it undergoes is to see that it is framed in agreement with the plan laid down by the India Board in 1814, and sufficient details are called for to ascertain that that plan is followed.

714. Are you satisfied that sufficient accounts are supplied to you in order to show that all advances made to commerce, or sums paid on account of it, are duly credited to the territory, and that none but proper charges are debited per contra?—The accounts we have are sufficient to show that the advances made to commerce, as well as the general frame of the account, are accurate. The Board do not generally control the home expenditure, as the Committee are aware, but they control the mode of carrying it to account as Territorial or Commercial.

715. What is meant by the general frame of the account?—That it is in full conformity with the plan agreed upon in 1814.

716. Are the commercial accounts balanced?—The Board does not take cognizance of the commercial books, their control not extending to the Company's commercial affairs.

717. Do you know whether they are balanced?—I conclude they are; but I have no official information upon the subject.

718. No balance-sheet, or abstract of such balance-sheet, is furnished to Parliament?—The annual receipts and disbursements are furnished every year, showing the cash balance at its commencement and close, together with the debts and credits, and the account of stock, but the results are not brought into a form that would be designated a balance-sheet.

719. How is the profit yearly or half-yearly ascertained?—It is ascertained according to the form of accounts which are before the Committee, in which the prime cost of the trade, the various charges upon it, and the sale amount, are shown; other profits of the Company are also inserted, and various charges brought to account, showing the surplus for further appropriation.

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720. That

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720. That is a statement of profit and loss by the Company?—Yes, and shows the whole of the appropriation of the surplus.

721. How is the existence of profit sufficient to pay the dividend, or the surplus beyond that, annually shown to be accurate?—The Board call annually for an account of the profit and loss upon the trade, as well as the surplus commercial profits, and their appropriation.

722. Have you that account with you?—I have it for one year [*producing it*], the year 1828–29; it is an account of profit and loss on all goods sold by the East India Company in the year 1828–29, distinguishing India and China, and specifying the invoice price and the several charges respectively, also the sale amount; showing likewise the net proceeds of the commerce of Great Britain, after defraying all charges; and converting the prime cost of the investment, so far as it consists of repayment of advances by the commercial department, at the rate of exchange usual in the Company's books in transactions between the two branches of their affairs, viz. 2*s.* the current rupee, 8*s.* the pagoda, and 2*s.* 3*d.* the Bombay rupee. The account is signed by Mr. Lloyd, the accountant-general.

723. That account enables you to ascertain that there is a surplus sufficient to pay the dividend, and the surplus beyond that, whenever it may be the case?—Just so.

724. What means have you of ascertaining the accuracy of that account?—We have no means of ascertaining the accuracy of it, beyond its authentication by the Company. The Board can call for any of the details which may be required, but they do not exercise control over the Company's commercial transactions.

725. Are you in the habit of calling for details to explain any of those items, with a view to ascertain whether the surplus as stated in the accounts is really a net surplus or not?—Yes, whenever it has appeared necessary.

726. Is it not necessary that every year's account should be verified?—The whole is verified before it is sent to the Board; but if any unusual items appear in the account, explanation is called for respecting them.

727. Are the Committee to understand that you take the account sent to you as a correct and verified account, unless any extraordinary items shall appear to demand explanation?—Yes.

728. This account is compiled from the general books of the Company, is it not?—It is; the Legislature have reserved to the Company the entire direction of their commerce, and accurate accounts of its transactions can only be furnished from the Company's books.

729. You trust to the certificate of the public officer at the India House for the accuracy of that account?—Yes, upon the principle before stated.

730. What steps are taken to see that the surplus is appropriated as prescribed by the Act of Parliament?—The appropriation can only be made with the approbation of the Board; it belongs to the Court to appropriate, and they obtain the consent of the Board for such appropriations.

731. Is it not the business of the Board to see, if there are surplus assets, that the Company shall do so?—The Board have called upon the Company repeatedly to do so; they have full power to do that; but they cannot direct the appropriation absolutely.

732. What restriction is imposed on the accumulation of commercial stock, and how much commercial property in excess of subscribed stock of the Company stands in their books?—The whole of the commercial surplus, after paying all charges, being appropriable under the Act, of course there is no power of accumulating stock from that source: the amount of commercial property is shown in the accounts of "stock per computation," several of which are printed in the papers of 1830 and their continuations.

733. Are the Committee to understand that those commercial accounts as furnished by the Court of Directors, have usually been taken by the Board as correct, generally speaking?—Generally speaking, they have been; but not without explanation being frequently called for, and alterations sometimes effected.

734. Have the Board of Control considered them as correct, when in point of fact they have not had the documents to ascertain the fact?—Yes, when the accuracy of them as extracts from those documents is officially certified.

735. When was the last appropriation made of commercial surplus?—The last appropriation was made in the year 1829–30; there have been regular appropriations made nearly every year, for which the Court are required to obtain the consent of the Board, but they have not been of large amount of late years.

736. When

736. When was the last considerable appropriation made? In the year 1823-24.

737. To what was that appropriation made?—To the payment of bills for the principal of the Indian debt. *William Leach, Esq.*

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738. How is it that no considerable appropriation has been made since that time?—The surplus since that time has been but of comparatively small amount.

739. Is it that the surplus profits have been to a small amount, or that the debt owing from the territory to commerce has prevented the appropriation?—Although the two accounts are distinct in their nature, I believe both causes have operated.

740. Do you conceive that if the debt from territory to commerce could now be paid, there would be a considerable surplus disposable?—Yes, I should think that there would be.

741. Is it not the fact that, by Act of Parliament, the Company is not liable to defray territorial charges in England until the dividend is provided for?—That I understand to be the case under the Act of 1813.

742. The payment by them of the territorial charges may be taken as evidence that they have funds for paying their dividends?—Certainly; the full payment of them.

743. Is it considered that the accounts rendered to Parliament by the Company are in any way under the control of the Board?—They have not been considered subject to their direct control.

744. You conceive it is not in the power of the Board to direct any alteration to be made in them?—I conceive that they are presented under Acts of Parliament, direct by the Company, without the intervention of the Board.

745. The Act directs the Court of Directors to lay the account before the House?—It does.

746. The Board have no control over the proceedings of the Company at home, except in cases specially provided for by Act of Parliament?—No: I should observe with reference to the previous question that the plan upon which the annual accounts for Parliament are arranged has been settled in concert with the Board, but, as I conceive, not as a matter of control. It may also be observed that the examination of the accounts received by the Board from India, enables us to judge of the general accuracy of the accounts presented by the auditor.

747. The Board were in fact consulted as to the plan upon which the statements annually laid before Parliament were to be prepared?—They were.

748. Does the Board exercise a detailed control over the financial letters from the Court of Directors to the government in India?—Very detailed examinations of those letters take place; the various subjects are fully considered, and every figure in them that can be examined is checked.

749. Have not great alterations been frequently made, both in the statement of principles and in the details?—Very many.

750. Does the Board exercise any control over the rate of interest charged?—Not upon the Company's bond debt.

751. Is not the Board always consulted when any alteration is made?—No, the Court direct all that concerns that debt.

752. By the account of profit and loss you have given in for the year 1828-29, there appears to have been a loss by the India trade of 475,977 *l.*, whilst there was a profit of 830,238 *l.* from the China trade, leaving a net profit of 354,261 *l.* on the whole trade; must not the rate of profit on the China trade depend on the sale price at the India House?—Yes, of course.

753. Have the Board ever interfered to regulate the upset price at which tea should be sold?—I am not aware that they have.

745. Are you aware what directions the Act gives respecting the amount of the upset price?—Yes, I am aware generally of the provisions of the Act.

755. Do you consider the Board as having any authority to interfere to see in what manner that upset price is fixed?—I am not aware that they have that authority; but I cannot speak with certainty without referring to the Acts of Parliament.

756. In point of fact, have they ever interfered to regulate the upset price?—Not since I have been connected with the department.

757. In the account you have produced there is an item of 238,753 *l.* credited as interest and discount on anticipated payments, including the adjustment for former years in respect to interest charged on the territorial invoices outward; can you explain to the Committee what is the nature of those?—The Board called for the details of that item, and they can be furnished to the Committee.

William Leach, Esq.

3 March 1832.

758. Do you recollect the general nature of them?—It embraced the various transactions of interest and discount which are usual in the Company's affairs, and also a charge of interest on territorial exports, such as stores, which had not been charged in former years.

759. There is another account of 197,785 *l.* credited as interest on the balance due from the territorial to the commercial branch at the close of season 1827–28; what do you mean by that?—The Committee will understand that the account is not prepared in my office; but I apprehend that amount is the interest upon the current account between the territorial and commercial branches.

760. In what way is that made up?—It is calculated upon the balance due to the commercial branch in each year.

761. Is that actual receipt?—The question of interest is not yet finally decided, but it has always been treated as an actual receipt.

762. What do you mean by saying that the question of interest is not yet finally decided?—It is still under discussion between the Board and the Court in what mode the interest shall be calculated.

763. It has been decided that interest is chargeable?—Yes.

764. At what rate is it inserted here?—At the rate of the interest on the Company's bond debt at home.

765. Is any interest allowed upon the advances from territory to commerce in India?—It is upon the balance of the advances and repayments taken together that the interest is calculated.

766. In truth are there any payments in India that can be called advances to commerce?—Not as the account now stands, they are all, strictly speaking, repayments.

767. How do you explain this: "deduction of surplus commercial charges beyond 5 per cent. charged as above on sales, 176,567 *l.*;" how is that amount got?—It is the amount, I imagine, of commercial charge not included in the column above, as a charge upon the India and China trade.

768. Those having been estimated as sufficient to cover the whole?—The charges above show the proportion of charge which it has been always usual to put upon the goods.

769. The result of this account is, that whilst the net profit on the trade is 354,261 *l.*, the Company paid in dividend on stock 630,000 *l.*?—The sum quoted is the net profit on the sale of the goods. There are included in that account also several other items of profit, which enabled them to pay the dividends.

770. Will you furnish the particulars of the 197,784 *l.*, being the balance of interest due from the territorial to the commercial branch?—It can be obtained from the India House.

ACCOUNTS delivered in by W. Leach, Esq., 3 March 1832.

— No. 1. —

AN ACCOUNT of PROFIT and Loss upon all Goods sold by the EAST INDIA COMPANY, in the Year 1828–29, distinguishing *India* and *China*, and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain*, after defraying all Charges; and converting the Prime Cost of the Investment, so far as it consists of Repayments of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books in transactions between the Two Branches of their Affairs, viz. 2*s.* the Current Rupee, 8*s.* the Pagoda, and 2*s.* 3*d.* the Bombay Rupee.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandise, calculated at 5 per Cent. on the Sale Amount of the Goods.	Total Cost and Charges.	Sale Amount.	Profit.	Loss.
	£.	£.	£.	£.	£.	£.	£.
India Trade	2,183,447	117,441	96,312	2,402,200	1,926,243	- -	475,957
China ditto	1,804,151	508,827	164,536	2,477,514	3,290,748	813,234	—
£.	3,992,598	626,268	260,848	4,879,714	5,216,991	813,234	475,957

No. 1.—An Account of Profit and Loss upon all Goods sold by the East India Company—*continued.**William Leach, Esq.*
3 March 1832.

	£.		£.
Loss upon the India Trade brought down	475,957	Profit on the China Trade, brought down	813,234
Add,		Add, Difference in the rate at which Bills and Certificates drawn from China in Season 1827-28, were paid, and the Rate of 6s. 8d. per Tale, assumed in the last Account, being less than 6s. 8d.	17,265
Salvage of the "Mermaid"	20		830,499
		Deduct,	
		Salvage of the "Alfred," bringing home Teas	261
	£. 475,977		£. 830,238

Loss upon the India Trade, brought down	-	-	-	-	-	-	£. 475,977	
Profit upon the China ditto - ditto	-	-	-	-	-	-	830,238	£.
Net Profit on the Trade	-	-	-	-	-	-		354,261
Add,								
Charges on Private Trade, warehoused and sold by the Company	-	-	-	-	-	-	£. 122,152	
Customs on Private Trade, &c. (deficiencies more received than paid in the year)	-	-	-	-	-	-	1,474	
Interest on the Annuities	-	-	-	-	-	-	36,227	
Dividends on Stock standing in the Company's name	-	-	-	-	-	-	26,544	
Profit on the Company's own Ships	-	-	-	-	-	-	32,647	
Profit on Teas sold by the Company's Agents in the North American Colonies	-	-	-	-	-	-	17,743	
Interest and Discounts on anticipated Payments, including an adjustment for former years, in respect to the Interest charged in the Territorial Invoices Outward	-	-	-	-	-	-	238,753	
Interest on the Balance due from the Territorial to the Commercial Branch at the close of Season 1827-28 (estimated)	-	-	-	-	-	-	197,785	
								673,325
							£.	1,027,586
Deduct,								
Surplus Commercial Charges beyond 5 per cent., charged as above, on Sales	-	-	-	-	-	-	£. 176,567	
* Interest on Bonds	-	-	-	-	-	-	158,124	
								334,691
Fund whereout the Dividends are to be paid	-	-	-	-	-	-		692,895
Dividends on Stock	-	-	-	-	-	-		630,000
Ultimate Surplus	-	-	-	-	-	-	£.	62,895

Mem.—* The same reservation is claimed, as to what extent the Interest on the Bond Debt may constitute a Territorial Charge, as is stated in the Annual Account presented to Parliament.

East India House, }
21 Sept. 1829. }

(signed) *Thomas G. Lloyd,*
Acco^t Gen^l.

William Leach, Esq.

3 March 1832.

— No. 2. —

PARTICULARS of INTEREST and DISCOUNTS on anticipated Payments, (including an Adjustment for former Years, in respect to the Interest charged on the Territorial Invoices Outward.)

	£.	s.	d.
INTEREST allowed on the Balances of several Funds deposited in the Company's Treasury (Poplar Funds and Widows' Funds) - - - - -	14,504	17	10
Allowed Owners in Freight Accounts on protracted payments - - - - -	962	-	-
Interest on Exchequer Bills purchased - - - - -	34,367	10	10
Deduct, Interest charged Trustees of the Deccan Booty, on Advances made to them by the Court - - - - -	10,612	14	10
Interest on Bank Three per cent. Consols, transferred into the Company's name in discharge of a debt - - - - -	205	5	-
Interest received on Exchequer Bills - - - - -	6,455	5	-
Discounts on anticipated payments, &c. - - - - -	371	5	9
	17,644	10	7
Deduct, Premium on Exchequer Bills purchased in 1828-29, the Bills remaining in the Company's possession on 1 May 1829 - - - - -	25,623	-	-
Interest on the same, paid for at time of purchase £. 8,302 15 10			
Less, Amount received on exchange of part of the same, to 1 May 1829 - - - - -	6,455	5	-
	1,847	10	10
	27,470	10	10
Interest charged in Profit and Loss Accounts of Company's own Ships, 1828-29 - - - - -	4,245	15	2
Interest added to Invoices of Teas consigned to the N. American Colonies from China in 1827-28; the Profit and Loss Accounts being made up with reference to the Invoice Amount, which includes this Amount of Interest - - - - -	2,689	8	8
Interest charged in Territorial Invoices outward, 1828-29 - - - - -	11,123	17	7
Adjustments in previous years of Interest charged in Territorial Invoices, the same not having been previously included in the Company's Profit and Loss Accounts:			
1814-15 - - - - -	10,185	15	2
1815-16 - - - - -	11,724	5	4
1816-17 - - - - -	13,526	8	11
1817-18 - - - - -	9,860	2	-
1818-19 - - - - -	27,629	14	7
1819-20 - - - - -	21,304	17	11
1820-21 - - - - -	20,033	14	10
1821-22 - - - - -	9,837	10	4
1822-23 - - - - -	11,256	15	1
1823-24 - - - - -	11,819	7	5
1824-25 - - - - -	10,853	2	5
1825-26 - - - - -	17,487	17	5
1826-27 - - - - -	29,494	1	9
1827-28 - - - - -	20,399	19	7
	225,413	12	9
	243,472	14	2
	£. 238,753	6	11

(Errors excepted.)

East India House, }
21 Sept. 1829. }

(signed)

Thomas G. Lloyd,
Acco^t Gen^l.

William Leach, Esq.

3 March 1832.

— No. 3. —

PARTICULARS of INTEREST on the Balance due from the Territorial to the Commercial
Branch, end of Season 1827-28.

	£.	s.	d.
One Year's Interest on the Net Balance estimated to be due to the Commercial Branch, end of 1827-28, viz. 4,982,657 <i>l.</i> , at the rate payable upon the Company's Bond Debt; 11 Months at 4 per cent., 1 Month at 3 per cent. - -	195,154	-	-
Deduct, Six Months' Interest on the estimated Balance of Advances between the two Branches in 1828-29, in favour of the Territorial Branch - - -	8,947	-	-
	£. 186,207	-	-
Add, Adjustment of Interest, as above, short credited in Profit and Loss Accounts in former years, arising from the estimated Advances to Commerce in India in those years being stated at more than the actual amount of the same - -	11,578	-	-
Amount of Interest, as above - - -	£. 197,785	-	-

(Errors excepted.)

East India House, }
21 Sept. 1829. }(signed) Thomas G. Lloyd,
Acc^t Gen^l.

— No. 4. —

PARTICULARS of SURPLUS COMMERCIAL CHARGES, beyond 5 per Cent. charged on
Sales, &c. &c.

	£.	s.	d.
AMOUNT of Charges General Commercial, as stated in the Annual Account of Receipts and Payments for 1828-29, the particulars of which have been rendered to Parliament; (printed Report, China Trade, House of Commons, p. 108, Appendix) - - - - -	467,991	6	11
Payments for Primage and Average, included in Amount of Payments for Freight and Demorage, not charged upon the goods sold under that head - - -	3,258	3	-
	£. 471,249	9	11
Deduct, Articles for which a value remains, viz. Buildings, Loans, &c. - -	4,916	12	1
	466,332	17	10
Charged on the Company's Trade, viz.:			
Charges of Merchandize, calculated at 5 per cent. on the Sale	£.	s.	d.
Amount of Goods - - - - -	260,848	-	-
Amount charged in Profit and Loss Accounts of Company's own Ships, for management - - - - -	1,200	-	-
Warehouse Charges on Exports, added to the Invoice Amount - - - - -	£. 7,076	-	-
Shipping Charges on ditto - ditto - - - - -	20,642	-	-
	27,718	-	-
	289,766	-	-
	£. 176,566	17	10

(Errors excepted.)

East India House, }
21 Sept. 1829. }(signed) Thomas G. Lloyd,
Acc^t Gen^l.

Jovis, 8^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

William Leach, Esq. called in; and further Examined.

II.
FINANCE.

William Leach, Esq.
8 March 1832.

771. WHAT sum of surplus commercial profits has been appropriated since 1814?—£. 5,333,198.

772. Has the whole of that been appropriated to territorial purposes?—To territorial purposes, except the portion applied to the bond debt, the character of which is considered doubtful.

773. How much has been appropriated to the bond debt?—£. 334,399.

774. Under what circumstances was that appropriation made?—It was made at the early part of the period, chiefly in consequence of some bonds being paid in, and others bought up. An account, prepared by the Court in 1818, showed that a sum had been applied to the reduction of the home bond debt, which the Board ultimately sanctioned.

775. Was there any hesitation in sanctioning that appropriation?—There was some discussion upon the subject.

776. What was the nature of the discussion?—To ascertain whether the whole amount of those bonds could be properly discharged out of the surplus profits.

777. Was there any legal doubt?—The doubts started were of a legal character.

778. Generally speaking, the appropriation of the commercial surplus, with the joint consent of the Court and the Board, has been to territorial purposes?—Decidedly.

779. Do you admit that the Company's commercial surplus or assets would have been increased if, instead of the Board's rates, the rate of mercantile exchange, or any other mode of conversion proposed by the Court, had been adopted in the accounts?—In the earlier years they would have been diminished. Taking the whole period, the amount of surplus would have been increased.

780. Supposing the surplus to have been appropriated in the way that has been adopted by consent during the present term, would the Company, in its commercial and permanent capacity, have gained anything by the adoption of those other rates?—I conceive not.

781. Could they have increased their dividend?—Certainly not.

782. Supposing the Company, by any erroneous accounts, had given to the Board a false impression of the state of their commercial finances, could they thereby have procured an increase of dividend; or, supposing the same system of appropriating surplus to have been adopted, would they have been better off in the case supposed in their commercial capacity?—Generally speaking, I should say not; but I cannot answer with certainty, not knowing what is intended to be embraced in the term "erroneous accounts."

783. What is meant is, supposing by any other mode than that contemplated in the former questions, namely, a different rate of conversion, the Court had represented their commercial accounts more favourably, would they have been in a better situation commercially than they have been?—Certainly not, while the surplus profits were appropriated as they have been.

784. Was the commercial cash balance of the Company increased or diminished since the 1st of May 1814?—The balance in the home treasury is always fluctuating. On the 1st of May 1814, it was 695,860*l.*; on the 1st of May 1831, it was 1,051,303*l.*

785. When you say balance in the home treasury, do you mean that the whole of that balance is commercial?—That is a question which has not been determined.

786. Are there no clearly political receipts in the home treasury?—There are political receipts.

787. Are not those by Act of Parliament, as well as by the plan of the account arranged at the period of the charter, appropriated to territorial purposes before any demands are made on the commercial fund for those purposes?—Certainly; they are appropriated to territorial purposes as far as they will go.

788. Is

788. Is there any account of them?—The home account annually presented to Parliament, contains a distinct account of them, as does also the account between the territorial and commercial branches.

789. Has any question arisen between the Court and the Board as to the amount of cash balance necessary or proper for the Company to keep, or the amount of surplus which might remain unappropriated?—Yes, occasionally.

790. Are the Board now satisfied that the unappropriated surplus is not too great?—That is a question I cannot answer.

791. Are you satisfied?—It would be very difficult to say what is the necessary amount to be retained; it must vary according to circumstances.

792. When you have had occasion to resort to the India House for explanations upon any point in the account which appeared to you to require it, have you always had ready access to their books, and found the officers of the India House willing to give you every assistance in their power?—Invariably so.

793. Have you any reason to believe that the Company have at any time declared a dividend without having at the time a surplus of commercial profit?—That depends in some measure upon points which have been in dispute, as to what is properly the fund for the dividends.

794. Explain the nature of those doubts?—Questions have arisen whether particular items which have been introduced into the account, are accurately introduced or not, before the surplus is struck.

795. Are any of those doubtful questions now pending?—Some are now pending.

796. Have they a very material operation upon the question?—Yes, some considerable operation.

797. Do they extend to every year since the charter?—Those I refer to not to all, only to a few.

798. To the later or the earlier years?—To the later.

799. Will you state what those are?—Under the official oath I have taken, and the Minute of the Board with reference to present examination, I am not at liberty to go further upon that point, the questions not being decided.

800. Supposing the commercial profit to be insufficient in any one year for the dividend, are not the Company entitled to resort to the territorial surplus of one year preceding?—They are.

801. Have they ever resorted to the territorial surplus?—I am not aware that they have in any case.

802. Must not you necessarily be aware of that if it had happened?—In some years it may admit of dispute whether they have or have not had occasion to resort to it.

803. Have they ever stated in any account of territorial revenue charge and surplus, any claim made upon the surplus for the dividend?—No.

804. Under the clause upon which notice has been given to the East India Company of the determination of their exclusive trade and holding of the territory, what is the sum payable to the East India Company by the public?—£. 1,207,560.

805. Do the government now pay interest upon that sum?—They do.

806. Explain how that debt arose?—It is the balance remaining of the sum which was originally lent to the government by the Company, amounting to 4,200,000 *l.* The Company were allowed to repay themselves by disposing of the debt to annuitants. Hence arose what is called the East India Annuities. The annuities were sold to the extent of 2,992,440 *l.* and no further, leaving the balance of 1,207,560 *l.* due to the Company.

807. How happened it that the whole were not sold at the same time?—I am not aware what was the occasion of the operation being stopped.

808. What was the Act under which this was created?—The 23 Geo. 2, c. 22, and the annuities were consolidated with the three per cent. reduced stock by the 33 Geo. 3, c. 47.

809. From the attention which you have given to the principle of separation between the territorial and commercial accounts, do you conceive that, in the event of a final separation between the Company and the public, it would be fair to consider the cash balance in 1814 at home as commercial, and the cash balance in India as political?—Previous to 1814, the accounts were so extensively blended that it is almost impossible to decide that point.

810. You apply that doubt to the balances both in India and in England?—I think it may in some measure be applied to both.

William Leach, Esq. 8 March 1832. 811. Would the Company's commercial property, without reckoning in the claim upon India for buildings or upon other grounds, be in your opinion sufficient to realize a dividend of 630,000*l.* per annum?—I cannot answer that question.

812. Since 1824, you say there have been no material appropriations of commercial surplus?—No very considerable appropriation.

813. Nor has there been much commercial surplus in fact?—Not a very large amount as compared with former years.

814. Has there been a commercial surplus equal to the territorial deficiency?—Certainly not.

815. Since 1824, the whole concern has constantly been increasing its debt?—Yes, combining the territorial with the commercial concern.

816. Do you admit that the bond debt is to be considered entirely commercial, and the Indian debt political?—That point, more especially as it respects the bond debt, has never yet been decided or admitted.

817. What is your own opinion?—I have much doubt on the subject.

818. Which way does your opinion preponderate?—I cannot give an opinion. It has always been a matter of considerable doubt whether any part of the bond debt is territorial; I have certainly participated in those doubts, and have not seen clear ground for coming to a decision.

819. Has there been any dispute between the Court and the Board with respect to the appropriation to the two branches respectively, the military and other buildings, and other fixed property in India?—I do not at this moment remember any.

820. Has there been any appropriation of territorial surplus since 1814 to the payment of debt?—There has been, I conceive, application of territorial surplus to the payment of debt.

821. Under the fourth head of appropriation?—The fourth head of appropriation of the 55th section of 53 Geo. 3, c. 155, requires a particular process to take place between the Board and the Court. I am not aware that that process has been literally followed, as the Indian government have usually liquidated debt without reference to the home authorities: but I conceive surplus territorial revenue in India has been applied to the liquidation of debt.

822. Could an account be made out from the 1st of May 1814 to the present period, of the receipts in India and in England respectively, and of their application severally under the heads of appropriation prescribed by the 55th and 57th clauses of the Charter Act?—I have no doubt such an account could be prepared, perhaps more conveniently at the India House than here.

823. Was it or not your duty to examine the annual account of the Company's commercial transactions previous to declaring the dividend and ascertaining the surplus or loss?—No, the dividend is declared by the Court.

824. Did you receive any authority from the Board of Control to examine those accounts, in order to ascertain whether the account rendered by the Company was accurate or not?—In the ordinary course of business that has been done, so far as general accuracy of principle is concerned.

825. What was the course you adopted in order to ascertain the accuracy of the account?—The account for that purpose is a commercial account, and I have already explained to the Committee on what grounds the certified authority of the officer at the India House is considered to vouch the items of a commercial description.

826. Do you consider it sufficient to have the certificate of the officer at the India House of the totals, without going into any of the details yourself?—Unless they appear to require particular explanation.

827. With respect to the item of 238,753*l.*, respecting which you were asked, and which appears under the head of interest and discount on anticipated payments, including adjustments for former years in respect to interest charged on the territorial invoice outwards, did you ascertain how far all the items forming that large total were correct or not?—Explanation was expressly required upon that point, and a full detail of particulars given.

828. Did you satisfy yourself by examining each of those details, that they were properly credited to trade?—It was ascertained that they were properly credited to trade.

829. By yourself?—It was. I should observe that while the Board do not control the details of the commercial accounts, they see that no improper charge upon the territorial revenues is introduced therein.

830. By

830. By whom was it considered that those items were correct?—They were considered so by this department generally. The Board made no objection to the item.

831. You were asked before to produce a copy, and you said there was no such copy in the house; how did you ascertain that the items were correct?—My observation applied entirely to the other items, the 197,785*l.* and 176,567*l.* below it, respecting which the Committee inquired.

832. There is an item of interest on the balance due from the territorial to the commercial branch at the close of the season 1827–28, estimated at 197,785*l.*; is that one of the items to which you refer?—It is.

833. There is a further item in these terms, “Deduct surplus commercial charges beyond five per cent. charged as above on sales, 176,567*l.*,” was that an item also upon which you had no details?—Yes; but it was wholly a commercial charge. Any part disallowed must have become territorial. With respect to the interest, that is a subject which has been under discussion between the Board and the Court, the Board objecting to the Court’s mode of charging interest, and therefore it was not necessary to inquire into that particular sum. The mode of calculation was known, and was objected to as upon an erroneous principle.

834. You say certain items, of which those two exceed 300,000*l.*, were objected to; did you not object to taking the ultimate surplus, after the payment of the dividend, at 62,895*l.*?—The item of surplus commercial charges was not objected to. It was always considered that the result would be subject to adjustments, some of which would be regulated by the decision upon any points in dispute.

835. Are the Committee to understand that that was your own opinion, or the opinion of the Board, and that they acted upon it?—That the Board have always acted upon that principle.

836. Up to the present moment, those points of dispute have not been adjusted?—That on the interest has not been finally adjusted.

837. Every account that has an item under that head must remain unadjusted at the present time?—Yes, without final adjustment.

838. What kind of adjustment has there been?—A provisional adjustment, subject to the determination of certain questions.

839. Then you have taken it for granted until the points in dispute shall be settled?—It has no further been taken for granted than as an account prepared by the Company, and supposed to contain generally a true representation of certain of their transactions, on which, however, the Board have pronounced no opinion, and have questioned some of the items. Thus they have not admitted the accuracy of the particular sum in question.

William Simons, Esq., called in; and Examined.

840. YOU are Chief Clerk of the Committee of Buying and Warehouses in the India House?—I am. *William Simons, Esq.*

841. Will you state what is the nature of the duties of that department generally, and of yourself in that department?—The Committee of Buying and Warehouses, as their name signifies, buy all the goods which the Company export, including military stores, in such way as they can most to the advantage of the Company, but chiefly by public advertisement or circular letter; some of our stores, which do not admit of being purchased by competition, are bought of tradesmen, as any other merchant would do, by private agreement; but a special report is made by the Committee of all such goods, whether by advertisement, by circular letter, or privately.

842. Do the advertisement and the circular letter equally invite tenders?—Yes; small arms, and things of that kind, are bought by private bargain; but everything which admits of being bought by muster is so bought.

843. What are your duties in that department?—My duties are to attend upon the Committee, and to take their orders, and to put them forward into action, and to lay the papers before the Committee, and take their orders upon them as regards those purchases; but that is the smallest part of the business of the Committee. I have to manage the orders to India and China, for goods to be provided there, and to manage the sales of them; also the goods of private merchants, who intrust them to the management of the Company, and to superintend the warehousing department generally, which consists of 3,000 persons; the details

FINANCE.

William Simons,
Esq.

8 March 1832.

details are very great indeed. The Company's commercial affairs generally are entrusted to the Committee of Buying and Warehouses, and managed by them. There is also a separate department for shipping, which is another committee, with which I have nothing to do; they have a separate clerk.

844. Can you state generally what are the goods purchased by the Committee of Correspondence and the Committee of Shipping?—The Committee of Shipping purchase naval stores generally and provisions, and manage the Company's ship; the Committee of Correspondence purchase mathematical instruments or matters of that kind for India, and anything out of the usual way; the Committee of Correspondence, as the senior committee, take that upon themselves but very seldom, hardly worth mentioning.

845. You have to do with the purchase of goods both at home and in India, and also the purchase of military stores?—Yes.

846. The Shipping Committee purchase the naval stores?—Yes.

847. Can you state what is the number of persons in the commercial employ of the Company altogether in India, in England, and in China; and can you state what is the whole charge of the commercial establishments in each country?—If the Committee will be pleased to refer to the Evidence before the Select Committee of the House of Commons, ordered to be printed on the 30th of June 1831, and the 11th of October 1831, they will find a Return of Officers and Expenses in England in the year 1817 and 1827 contrasted; and if they will be pleased to refer to the same paper they will find the like statement as they stood in India. In page 682, No. 35, are the Returns of Officers and Places in England, and the Amounts; and in page 672 and the following pages, are the same as they stood in India; but these statements have been new modelled latterly, and diminished considerably.

848. It is of the commercial establishment only you are now speaking?—Just so.

849. Are you not prepared to state what is the result of those Returns?—Only by referring to those Returns which have been made. I have a Return of the Indian Establishment as new modelled, which reduced it considerably; it was made by the Governor-General in the year 1829, and allowed by the Court in the year 1830; that applied to the whole of the civil establishments; they were all remodelled and reduced; that originated in an order of the Court calling to their notice that some of the functionaries were paid too much; the Governor-General took it into his consideration, and remodelled the whole of the civil establishment, every part of it. The commercial part is the only part with which I have to do, and that I have here; it is Schedule (D.)

[The Witness delivered in the same, which was read as follows:]

SCHEDULE (D.)

COMMERCIAL.

OFFICES.	Present Salaries.	Proposed Salaries.	Proposed Less.	Proposed More.	REMARKS.
	Sonaut Rs.	Sonaut Rs.	Sonaut Rs.	Sonaut Rs.	
Board of Trade, senior member	57,475	52,200	5,275	—	
junior ditto -	45,043	52,200	-	7,157	
1 secretary -	25,080	25,200	-	120	
1 assistant -	5,102	6,000	-	898	
13 Commercial Residents:					
Benares - - -	46,639	24,000 ^(a)	22,639	-	^(a) A like sum to be drawn as opium agent.
Cossimbazar - -	50,160	48,000	2,160	-	
Etawa and Calpee -	74,423	48,000	26,423	-	
Bauleah - - -	48,456	36,000	12,456	-	
Malda - - -	40,404	36,000	4,404	-	
Radnagore - -	38,063	36,000	2,063	-	
Commercolly - -	34,570	30,000	4,570	-	

SCHEDULE (D.)—COMMERCIAL—continued.

OFFICES.	Present Salaries.	Proposed Salaries.	Proposed Less.	Proposed More.	REMARKS.
<i>Commercial Residents—continued.</i>					
	<i>Sonant Rs.</i>	<i>Sonant Rs.</i>	<i>Sonant Rs.</i>	<i>Sonant Rs.</i>	
Hurripaul - - -	25,766	30,000	- -	4,234	
Jungipore - - -	30,463	30,000	463		
Rungpore - - -	22,637	30,000	- -	7,363	
Santipore and Golegore -	42,351	30,000	12,351		
Soonamooky - - -	29,064	30,000	- -	936	
Surdah - - -	31,297	30,000	1,297		
Two assistants, Bauleah - -	10,032	9,600	432		
Benares - - -	10,032	9,600	432		
Sub-export warehouse keeper -	63,800	42,000	21,800		
Head assistant ditto - -	24,935	18,000	6,935		
2d assistant ditto - - -	12,257	9,600	2,657		
Import warehouse-keeper -	15,048	- -	15,048	- -	(To be abolished.)
TOTAL - - - £.	783,097	662,400	141,405	20,708	

SCHEDULE (D.)

COMMERCIAL.

(Correct.)

(This Account is proposed to be substituted for the preceding Statement.)

SALARIES at Bengal, as ordered per Court's Letters of 28 April and 24 November 1830.

From return of Establishment 1st May 1828.	OFFICES.	Present Salaries.	Proposed Salaries.	Proposed Less.	Proposed More.	REMARKS.
<i>Sicca Rupees.</i>		<i>Sonant Rs.</i>	<i>Sonant Rs.</i>	<i>Sonant Rs.</i>	<i>Sonant Rs.</i>	
55,000 - -	Board of Trade, senior member	57,475	52,200	5,275	- -	(Corrected.)
43,103 7 -	junior ditto -	45,043	45,000	43	- -	
24,000 - -	1 secretary -	25,080	25,200	- -	120	
4,883 10 -	1 assistant -	5,102	6,000	- -	898	
	13 Commercial Residents :					
44,630 13 -	Benares - - -	46,639	24,000 ^(a)	22,639	- -	^(a) A like sum to be drawn as opium agent.
54,939 1 -	Cossimbazar - - -	50,160	48,000	2,160	- -	
80,817 12 -	Etawa and Calpee - -	74,423	48,000	26,423	- -	
46,369 6 -	Bauleah - - -	48,456	36,000	12,456	- -	
38,663 10 -	Malda - - -	40,404	36,000	4,404	- -	
37,024 1 -	Radnagore - - -	38,063	36,000	2,063	- -	
33,080 10 -	Commercolly - - -	34,570	30,000	4,570	- -	
24,657 3 -	Hurripaul - - -	25,766	30,000	- -	4,234	
29,150 12 -	Jungypore - - -	30,463	30,000	463	- -	
21,661 12 -	Rungpore - - -	22,637	30,000	- -	7,363	
40,526 13 -	Santipore and Goligore -	42,351	30,000	12,351	- -	
27,812 5 -	Soonamooky - - -	29,064	30,000	- -	936	
29,948 9 -	Surdah - - -	31,297	30,000	1,297	- -	
9,600 - -	Two assistants, Bauleah -	10,032	9,600	432	- -	
	Benares - - -	10,032	9,600	432	- -	
58,652 11 -	Sub export warehouse-keeper -	63,800	42,000	21,800	- -	
23,861 3 -	Head assistant ditto - -	24,935	18,000	6,935	- -	
11,729 15 -	2d assistant ditto - - -	12,257	9,600	2,657	- -	
14,400 - -	Import warehouse-keeper -	15,048	- -	15,048	- -	(To be abolished.)
7,54,513 9 -	TOTAL - - - £.	7,83,097	6,55,200	1,41,448	13,551	Total corrected.

(*)

* The Figures in this column, and the words in *Italic*, are in Red Ink in the MS.

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850. Can you state the total number of persons in the commercial employ of the Company in India altogether?—The number of servants is stated in the papers.

851. Do the returns contain the whole of the persons in the employ of the Company?—The whole of the servants and salaries, not the persons who are paid for winding silk and so on; the labourers only, those who are the servants of the Company, not the workmen hired from day to day.

852. Is there not a statement of the cost of their labour?—Yes, the amount.

853. What are the annual charges for office establishment in your department?—The whole returns of the India House have been made to the late Committee; a Return of the Places and Offices in England will be found in page 682 of the Evidence ordered to be printed the 30th of June 1831 and the 11th of October 1831.

854. What was the expense of your office and establishment in 1817?—I cannot say, but I think that has been returned.

855. Can you state what has been the expense of your office and establishment for any one year?—I have an account for the warehouse department.

856. The expenses of your department are classified in a Return under the head of Office and Establishment?—That is included in the papers to which I have already referred.

857. It is stated in the Return to No. 35, Appendix to the Report of 1831, page 682, that in 1817 the expense of your establishment and office amounted to 9,864 *l.*; that in 1827 it amounted to 13,069 *l.*, making an increase of charge for the year 1827, as compared with the former period, of 3,205 *l.*; do you conceive that to be a correct return of the charge of your establishment?—I have no doubt it is, it was made up by the accountant.

858. What is included under the term office and establishment?—The clerks, I apprehend.

859. What is the annual salary of the principal clerk and of his chief assistant in your department?—My salary is 2,000 *l.* a year, and the chief assistant, 1,050 *l.*

860. Does the number you have given of 3,000, include the whole number of persons, principals, clerks, extra clerks and servants, employed in your department?—The number of 3,000 to which I allude, are not the persons in the India House, but the warehouses.

861. What is the total number of persons employed in your department?—It would consist of those enumerated in the Return referred to, and the warehouse-keepers, who are also returned, and the persons in the warehouses. The whole expense of the warehouse department out of the India House, I can speak to. In the year 1828, there were 2,896 persons, the whole of whose pay was 188,000 *l.* a year, and in the year 1832, there were 2,547 persons, whose pay was 157,000 *l.* a year; but on the average of the first 14 years of this charter, the salaries and pay came to about 202,000 *l.* a year, and the number of persons was considerably more; but any account the Committee may be pleased to order can be furnished.

862. The expense which you have just mentioned, on the average of 14 years, of something more than 200,000 *l.* a year, has been paid to the warehouse-keepers and labourers out of the India House?—Yes.

863. Does that include extra payment to extra labourers?—It is the whole annual salaries and daily pay of the warehouse department?—The whole expense of the warehouse department was 315,000 *l.* a year, of which there is 69,000 *l.* for landing and housing goods, dock dues, cartage and materials for warehouse use, such as deal boards, nails and so on; the daily wages, including the medical attendance which is allowed the men, 160,000 *l.* a year; rent of hired warehouses and ground rents, 24,000 *l.* a year; taxes and repairs, 20,000 *l.* a year; salaries to clerks and warehouse-keepers, 42,000 *l.* a year, making altogether 315,000 *l.* a year; but if the Committee shall be pleased to order an account to be made out, the items would be seen more precisely; this is done in a rough way.

864. The sums which you have just enumerated are independent of your office in the India House?—Yes.

865. Are there included in the statements the whole of the commercial charge or expense in Europe?—Not in the sense of the Act of Parliament of the year 1813, which directed that there should be an apportionment of the salaries and expense of the whole of the India House, as between the territorial and commercial branches of the Company's affairs, and that such apportionment should be approved by

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by the Board of Commissioners: this was done in the month of June 1814, and included in the head of the commercial charges, part of the gratuities to the Directors, part of the salary of the secretary, and of almost the whole of the establishment, because at that time the Company's commercial transactions were very large. Those contingent sums are carried partly to the trade of the Company, and partly to the territorial branch; therefore to frame a correct account of the commercial expenses of the Company, it must include a part of the allowances and salaries I have mentioned, and a portion of the amount of the general expenses, and can be drawn up by the accountant only. There is a statement in the Report of the Select Committee of the House of Lords, ordered by the House of Commons to be printed the 8th of July 1830, page 28, as to the division of the salaries and expense between the territorial and commercial branches of the Company's affairs.

866. Has the Company exported any merchandize of late years for sale in India?—The Company have ceased to export goods to India for sale since the year 1824–25.

867. No merchandize having been exported by the East India Company to India since the year 1824–25, has any considerable reduction been made in the number of persons employed, and in the salaries, in your department?—No; because the exportation to China has been as large as it was, and the military stores have been much larger. In some of the years the military stores have amounted to 800,000*l.* or 900,000*l.* The details of miscellaneous business have also increased.

868. The Committee have before them a Return, which shows that in 1814 the exports to China were 911,663*l.*, and in the year 1828 they were only 638,325*l.*; how do you reconcile that with your statement, that the exports to China were as large in the latter years as they had been formerly?—The exports to China are reduced in some kinds of goods, and increased in others; but the numbers are not, I believe, very materially changed, but the cost price has fallen off prodigiously; the superfine broad cloth, which used to cost 20*l.*, is now bought for 10*l.*; and so of other articles. Lead, that cost 40*l.* a ton, is now bought for 13*l.*

869. From the statement made just now, it appears that the expense of your office and establishment in 1827 was more by 3,205*l.* than it was in 1817; how do you explain that?—The particulars which have caused the increase are stated in p. 682 of the Papers printed by the House of Commons (11 October 1831), but there is a set-off of 800*l.* per annum, under the head of Clerk of the Committee of House, p. 686, which has merged into the office of the commissioner of warehouses.

870. Are the Committee to understand that you are unable to state the total annual amount of commercial charges at the India House, in so far as offices, establishment and superannuations are concerned altogether?—Quite; I have not the means of doing it. It is the business of the accountant entirely.

871. Can you state the annual rental of the warehouses?—The warehouses are almost all freehold, or built upon ground belonging to the public companies, on long leases, renewable on payment of fines.

872. Have not the East India House and the warehouses together been valued at 1,294,768*l.*?—They have been valued repeatedly, and form an item in the Returns made to Parliament. I calculate that the warehouses stand in the Company's books at 950,000*l.*, but the accountant-general can show that very exactly.

873. Can you state on what ground the East India Company discontinued the export of merchandize to India since 1824–25, after having continued to export from 1814 to that year?—The Company continued during the first years of the present charter to carry on trade as they had formerly done, on the principles of profit and loss, as merchants at that time: the export goods, principally copper and woollens, sold at a very good profit. The Court have recorded their reason for discontinuing the export trade to India, in a letter to the Governor-General and Council in Bengal, which I will beg to read, dated the 10th of November 1826: "We have received the letter from your chief secretary, Mr. Lushington, dated the 12th January 1826, inclosing an indent dated the 6th of that month, for commercial supplies required from London to meet the probable demands of the Bengal market in the season of 1827–28, together with copy of a letter from your Board of Trade, dated the 10th January 1826, with a letter from Mr. Munday, your import warehouse-keeper, in explanation of his indent, which asks for
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a supply of woollen cloths and metal, and some cotton goods, to be exported from England in the shipping season of 1826-27, to the amount of about 476,000 *l.* sterling; the chief part of which is intended for the supply of your monthly sales, but some of the woollens are exclusively suitable, we apprehend, to meet the demand of the officers of the army. It would be highly satisfactory to us to be enabled to continue to furnish India with regular and ample supplies of British staples, as we have long been in the practice of doing; but looking to the great difficulty which now exists in obtaining any articles of Indian produce or manufacture, that will afford a remittance to London even at several pence in the rupee below the par of exchange; considering likewise the large balance which is due from the territorial to the commercial branch of our affairs, the amount of which, at the close of the year 1825-26, has been estimated (in our letter to you in the Finance Department, dated the 14th June 1826) at not less than 4,000,000 *l.* sterling, and which balance will be further augmented in the year 1826-27, in consequence of the very extensive supply of military and public stores now under provision, and by our increasing territorial disbursements in London, to all which is to be added the very important circumstance, that the conveyance of troops and of military and public stores will give full employment to the outward-bound tonnage of our ships of the season 1826-27; we have seen it expedient to determine not to make any provision of woollens, copper, iron, lead, or of merchandize of any other kind for exportation to any of our Indian presidencies in the approaching shipping season of 1826-27. We are not at present prepared to state the course which we may see it right to adopt in the succeeding year; but the prospect is certainly discouraging as regards future extensive purchases of exportable merchandize for sale in India. We shall not fail, however, to give the subject all the consideration which its importance demands. In the mean time you will persevere in selling off your remains of Europe goods, and reduce your establishment to the lowest practicable scale. Being apprehensive, however, that the non-transmission of a moderate supply of scarlet and other superfine broad cloth may possibly be attended with inconvenience to the military service who have been in the usage of obtaining cloth from our import warehouse, we shall provide a limited quantity of the best superfine broad cloth for consignment to you in the approaching shipping season, a list whereof will be found in the packet. These cloths will be invoiced as military stores, and must be delivered at once to the clothing agent without passing through your commercial books. Should the continuance of this mode of supply be found desirable, you will be pleased to make the proper arrangements in the military department, and cause your future indents to be issued in the manner usual for other clothing stores." Another letter was addressed the 28th of April 1830 in these terms: "The discontinuance of the import warehouse as a separate department had been under our consideration, and has now become unavoidable in consequence of the cessation of our exports to Bengal for commercial purposes, a course which the state of our finances must have constrained us, however reluctantly, to adopt, even had the Indian markets been more favourable than has of late been the case. We delayed, however, giving definite directions respecting the import warehouse, as circumstances might have rendered it advisable to resume our commercial exports in some degree; and if we shall hereafter see it proper to do so, the goods must be committed to the charge and management of the export warehouse department. The preceding paragraphs had been drafted previously to the receipt of your letter of the 7th July 1829, which treats of the transferring to the military, medical and naval departments the duty of receiving their own stores direct from the ships, instead of as heretofore through the commercial department; of the uniting the import commercial business with the export warehouse, and of abolishing the former office;" this has been done since; "also of the appropriating to other branches of the public service the very extensive premises at present allotted to the import department; upon which matters, especially upon the import warehouse, you intend to report to us hereafter. As these objects are in unison with our view of what is most fitting to be done, we merely see it necessary upon this occasion to inform you that the several documents to which you refer in your letter under notice, have been laid before us;" since that, the Court have never resumed any export trade to any of the presidencies.

874. They have continued it to China?—Yes, on the same scale in the amount of goods, but about two-thirds in value.

875. You spoke of the export of metals and of woollens to India: were those the only two articles you had been in the habit of exporting for some time prior

to

to the year 1826, or were they only the principal articles?—Copper was the principal article of all the Company's trade, and British woollens; they exported some Madeira wine, but that I think had ceased before that time; copper and woollens were the principal articles.

876. The ground stated in those extracts which you have now read, are the reasons assigned by the Directors for the discontinuance of that export trade?—Yes.

877. Do you conceive that the incapacity of the East India Company to compete with the free-traders, had anything to do with the discontinuance of their export of merchandize to India?—I should really think not.

878. Have you not an account of the profits and loss, from the year 1814 to the year 1826, of all your commercial exports to India?—Yes, that has been presented to the Select Committee of the House of Commons in the last year.

879. Have you any reason to believe that India has been well supplied with British manufactures since the Company ceased to export them; or can you state any detriment which this country or India has sustained by the exportations of the Company having ceased?—No; I apprehend that India is supplied more abundantly with every thing than ever it was.

880. You think that neither country has sustained any detriment by the exportations of the Company having ceased?—I should think not in point of amount. The accounts of external commerce have been laid before the Committee; they are in folio 130 of the Report ordered to be printed in February 1830. The imports from Great Britain into British India in the year 1814-15 are 1 crore 52 lacs; in the year 1828-29 it was 3 crore 33 lacs; or from a million and a half sterling it had increased to three millions and a third, but of that two millions were British cottons; so that the original trade in copper and woollens has not increased.

881. Has not spelter become an increased article of trade?—Yes; but the market has been overdone with it, and the price in consequence reduced; many thousand tons have been sent; the Company sent a little, but that is a foreign manufacture altogether; there is no British spelter; but the increase of exports from England to India is in British cottons, for it appears by the Custom-house account which has been printed the 9th of February 1830, that the British cotton goods exported to the eastward of the Cape of Good Hope, not including China, amounted to two millions sterling.

[*The Witness delivered in the Account, which was read as follows:*]

(REPORTS, EXTERNAL COMMERCE.)

A STATEMENT of the Value of IMPORTS into *Bengal, Madras and Bombay* from *Great Britain* in the following years, distinguishing Merchandize from Treasure (including the East India Company's Imports.)—Papers Printed by the House of Commons, 9 Feb. 1830, fol. 130, &c.

	MERCHANDIZE.	TREASURE.	TOTAL.
	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>
1811-12	1,35,08,171	24,059	1,35,32,230
1812-13	1,30,40,279	1,69,017	1,32,29,296
1813-14	1,40,63,773	33,850	1,40,97,623
1814-15	1,26,58,777	5,25,127	1,31,83,904
1815-16	1,52,62,082	12,09,271	1,64,71,353
1816-17	1,63,29,099	99,68,316	2,62,97,415
1817-18	2,43,54,025	76,40,520	3,19,94,545
1818-19	2,52,58,138	1,57,37,614	4,09,95,752
1819-20	1,57,64,383	1,65,21,662	3,22,86,045
1820-21	1,82,20,024	33,89,183	2,16,09,207
1821-22	2,46,56,811	19,74,099	2,66,30,910
1822-23	2,85,53,065	2,53,087	2,87,68,152
1823-24	2,60,55,668	6,33,407	2,66,89,075
1824-25	2,57,19,795	39,205	2,57,59,000
1825-26	1,91,67,977	2,25,519	1,93,93,496
1826-27	2,02,59,982	1,42,594	2,04,02,576
1827-28	2,97,68,057	81,660	2,98,49,717
1828-29	3,33,59,616	2,73,257	3,36,22,273

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882. You are no doubt aware that between 1814 and 1820, the East India Company, besides wrought and unwrought metals and broad cloths, exported largely to India such articles as blankets, woollen nightcaps, Madeira, claret, port, Cape wine and brandy; can you state what gave rise to the speculation in such articles as those, and whether they turned out profitably or otherwise?—The exportation of wine to India, which commenced in 1808, arose in consequence of complaint, that good wine could not be procured at reasonable prices; that went on for four or five years.

883. Was there any idea that an export trade, consisting of articles intended for the consumption of the natives, would fail, and that the only way to compete successfully with the private trader, was to export such articles as were required for consumption by Europeans?—I never heard of such a proposition, or such a course of argument.

884. Did not the speculation in Madeira wine to which you have referred, of export to India, and particularly to Calcutta, prove a very ruinous trade to the Company?—A very disadvantageous trade after the first year or two.

885. Do you mean that there has been no Madeira wine sent since the renewal of the charter?—I believe not.

886. At all events the exports of those articles were not continued?—They were not; but in addition to the ceasing to be exporters, the Company have ceased to be importers into England, except of raw silk, some silk goods, and saltpetre from their own factories, and of indigo bought in Calcutta; they have abolished all the factories at Bengal, Madras and Bombay, which provided cotton piece-goods; the whole of the commercial establishments at Madras are done away, and at Bombay nothing is left but one factory for the provision of cotton to be assigned to China; the Company, except as above, have in fact ceased to be traders altogether.

887. Can you state the reason why the East India Company continue to export merchandize to China, after discontinuing to export it to their own possessions?—Because the Company having the monopoly of the China market, it would seem to follow, that if they had not supplied it with British manufactures, they would not have been imported into that empire at all, or at least not in sufficient quantities; but I think I may affirm that it was considered a moral obligation, if that expression be permitted in the Court, to continue to supply China; it never was contemplated not to supply China.

888. If the trade of China were to be thrown open to the same extent as that of India, are you of opinion that the East India Company would find it advantageous to discontinue the export of merchandize to that country?—I fear that must be matter of opinion. If private persons had access to China, and supplied the market so fully that no more was required, and the European goods sold at a loss, the Company might possibly discontinue the present means of carrying on their trade, so far as the teas are paid for by woollens, &c., and draw on Bengal for the whole of their teas; but this supposes a change in the system which I, as a servant of the Company, cannot contemplate.

889. In 1814, the total of the value of the Company's exports to India and to China amount to 1,738,211*l.* in three years, and in the exports to India alone, in the private and privileged trade, they amount to 1,048,132*l.*, showing an excess upon the whole export trade of 690,079*l.* in favour of the Company's trade. In 1828, the total value of the Company's exports to India and to China amounted to 1,126,926*l.*, and in the same year the export of the private and privileged trade amounted to 3,778,511*l.*; the result of the calculation of those two periods is, that there has been a falling off in the Company's export trade to India and China together of 611,295*l.*, that there had been an increase in the private and privileged trade to India alone of 2,730,379*l.*, and that the excess of the Company's trade both to India and China of 690,089*l.* has been altogether reduced, and that the private and privileged trade to India alone is now in excess over the Company's both to India and China, to the amount of 2,730,374*l.*, making the total difference between the two periods in favour of the private and privileged trade to India alone of 3,420,468*l.*; can you account for this change in the proportions of the trade which are carried on by the Company and the private trade respectively?—With regard to the exports to India, as I have before stated, that of the Company has totally ceased; they send nothing as merchandize to India.

890. It appears from the Returns laid before Parliament, that in the year 1828 the Company exported goods to India to the value of 488,601*l.*?—Those must be military stores.

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891. In the year 1814 they exported only to the amount of 826,000 *l.*?—The Company ceased to export from the date of the letter I have read. Since the year 1826–27, the Company appear to be exporters, but it was entirely military and territorial; there was nothing sent for sale; the woollens may not have been entered out at the Custom-house as military stores, and consequently classed as commercial; but this is merely a conjecture.

892. How do you account for the falling off there has been in the value of the export trade to China carried on by the Company?—In the reduced rate at which the goods have lately been and now are bought, every thing is provided at a very reduced price compared with what it used to be. In the papers presented to the House of Commons by His Majesty's command, ordered to be printed the 4th of June 1829, is a statement of the prices of several descriptions of goods in the year 1814, and in that year.

893. Has there been much depreciation in the price of woollens in this country from 1809 to the present time, and what do you estimate the amount of that depreciation per cent?—It is manifest, and of daily experience, that they are much cheaper, but I cannot speak to the precise amount.

894. Is it not your duty to provide those goods for the Company?—Yes.

895. Cannot you state the extent of depreciation since 1809?—The superfine broad cloth is now at one half the price it was 15 or 16 years ago.

896. It appears by a statement laid before Parliament, that the number of pieces of broad cloth imported by the East India Company into Canton in 1809–10, was 7,888 pieces; that in 1825–26 and 1826–27, it amounted to nearly 20,000 pieces, while in 1829–30 it was but 15,565; can you state the quantity exported in the last year, or account for the great fluctuations exhibited in the statement in question?—The exports to China have been governed by the demands from the Company's servants there generally.

897. Can you state what has occasioned the fluctuation in their demands?—I can. In the year 1827–28 there appears to have been a loss to a large amount upon woollens; in the year 1828–29 there was a profit: in the year 1829–30 there was a greater profit; and in the year 1830–31 there was a still greater profit, in consequence of which the Company have increased the quantity of broad cloth.

898. Are you able to give any other reason for the fluctuations which have happened?—I am not aware of any other; the custom is for the Company's servants in China annually to send a paper of their requirements for the next season, which is the guide; the Company generally exceed it.

899. You are unable to state what were those circumstances in the market of Canton which led to those fluctuations in the export of that article?—I can account for the quantity of broad cloth being increased by its selling at a very good profit.

900. You have no further explanation to give upon that head?—I have not.

901. It appears from the statement above alluded to, that the quantity of long ells imported into Canton by the East India Company in 1810–11, was 220,000 pieces; that in the intervening 19 years, between that and 1829–30, the quantity gradually diminished, and in the latter year it amounted to only 120,000 pieces; can you account for the decline in this article?—From the great loss upon them.

902. What was the occasion of that loss?—A reduction of the price in China.

903. How do you account for the reduction of that price?—I am not able to account for it, except that the market took a very adverse turn. I do not think that long ells are taken out by the private merchants; not to any great extent certainly.

904. Are you able to account for the reduction of price which took place in this article in the market of Canton?—I am not.

905. It appears that between the same periods the importation into Canton of camlets by the East India Company declined from 21,770 pieces to 12,023 pieces; can you account for this decline?—The great loss upon camlets, and the supply being understood to be introduced illicitly by the Americans; a matter which is as little to be doubted as anything which is taken on opinion and trust can be. The Canton market is chiefly supplied with camlets which are introduced surreptitiously. The duty on camlets is 18 dollars a piece; the selling price, without the duty, now is 22 dollars.

906. It appears upon the same statement, that between 1809–10 and 1829–30, the total number of pieces of different kinds of woollens fell from 262,171 pieces

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to 147,600 pieces; can you state the cause of this decline?—A piece of long ells is of small value compared with superfine broad cloth; the number of the pieces is not, therefore, very material to the inquiry. There might be a diminution of several thousand pieces, but it does not necessarily follow that the value of the woollens had fallen in that amount. The Company continued during very many years to export long ells to China, knowing they would be attended with losses; the Company considered that the manufacturers in the west of England who made those long ells had no other trade, and that China was the only market, or nearly so, for such goods; so that the manufacture depended entirely on the Company.

907. It was carried on to support the trade in the west?—Yes; it was computed that the Company's long ells consumed the fleeces of upwards of a million of sheep, and gave employment to some thousands of people in Devonshire and Cornwall, who had no other trade.

908. What led the Company to have so much regard for the trade in the west; were there any peculiar circumstances?—I do not know of any other circumstances than those I have stated; I cannot say further why the Company persevered, year after year, at a great loss, in selling those long ells in China.

909. It appears by the statement laid before Parliament, that in the year ending in 1813-14, the declared value of all goods exported to China by the East India Company, exclusive of stores, averaged a million per annum, whereas in the four years ending in 1828-29, it averaged somewhat less than 300,000*l.*; can you state the reason of this falling off in the value of the export of British manufactures to China?—I attribute the diminution of value to the reduction in the cost of the articles.

910. How do you reconcile that statement with the reduction in quantity which appears to have taken place in the exports?—The quantity of long ells in the first year was great; the calculation of the number of pieces, I have before taken the liberty to observe, is not a very important feature in the case; a long ell was formerly worth 3*l.*, and at that time a broad cloth was worth 25*l.*

911. Are there not considerable quantities of British manufactures exported direct from this country to China by the Americans, and indirect from the British ports in India by British subjects?—That there are large quantities of British manufactures exported direct from this country to China by the Americans, there is no possible room to doubt; that British manufactures are taken from India to China, I have no knowledge.

Lunæ, 12^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

William Simons, Esq., called in; and further Examined.

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912. WHERE have the Company been in the habit of having their cloths dyed which they export to China?—The broad cloths until lately have been dyed in London; the long ells are still dyed in London.

913. Until how late were the broad cloths dyed in London?—Within these three or four years; the dyeing of the broad cloths in London was discontinued by degrees; it is now totally discontinued.

914. Camlets?—Camlets are dyed at Norwich; the Company buy camlets in a dyed and finished state.

915. When did the dyeing broad cloths in London cease?—It ceased entirely in 1830, except a small quantity of goods which were in store in London.

916. Has it totally ceased?—It has totally ceased.

917. Are there any goods of any kind now dyed in London?—The long ells are still dyed in London, as before stated.

918. Why are the long ells dyed in London?—Because no dyers in the west of England have offered to dye them; if offers had been made they would have been considered.

919. What are the principal colours of which the long ells are dyed?—The principal colours are scarlet, purple, black and blue.

920. Has

920. Has the dyeing been executed by advertisement, or in what manner have the contracts been taken for dyeing long ells?—Lately by competition, under printed circular letters.

921. What do you mean by lately?—Within the last two years.

922. In what manner were the contracts made before?—The dyeing before was conducted by all the principal dyers of woollens in London; the work was divided into 36 shares. The dyers were employed as regular tradesmen to the Company; one dyer had three shares, another two, and another one share, as they had obtained appointments from the committee of buying, upon application when vacancies occurred; it was no doubt considered a favour to be appointed a Company's dyer. The prices were fixed annually alike for them all; but some of the dyers who had several shares were subject to a deduction.

923. For the same colour the same price was charged?—Yes.

924. Was it a matter of patronage among the Directors?—Not individual patronage; the committee at large.

925. What was the meaning of shares?—The dyeing was divided into 36 shares; the pressing was in 36 shares; it was a convenient way of allotting out the work and keeping the accounts.

926. Was it not handed down from father to son, and considered a good business, and that the having a share was worth so much a year?—I believe it was a very good business; they had fair prices for what they did; there was an understood scale of prices, depending upon the prices of dyers' wares; cochineal and indigo being so much a pound, and madders and dyeing woods at such and such prices, the dyeing a cloth was worth so much money. The price of drugs was ascertained every year; and looking at that and the state of the markets, such prices as were thought fair were paid to the dyers.

927. Was one of those shares ever given to a person not a dyer?—I do not recollect such a thing; it was a standing order that no person should hold a share of the Company's dyeing who had not a dye-house; shares were continued to them perhaps when they were not engaged personally as dyers, but they were partners in the house.

928. Do you think that ever, as a matter of patronage, one of these shares was given to a person not a dyer, who afterwards got the work executed by a dyer, and put a considerable premium into his pocket?—I am not aware of such a circumstance; the standing order would have prevented it.

929. Did you ever hear of such a thing taking place?—I never heard of it.

930. The distribution of the shares was left to the individual Directors, was it not?—No; the proportion of the work went on from year to year, according to their first appointment.

931. How did they distribute the dyeing; in what manner did they do it?—I before stated that it was divided into 36 shares; this was the practice before I came to the India House, and so it continued afterwards. Those who had shares continued to have them as long as they remained in business; and when a vacancy of a share occurred, all the dyers in London made friends, and begged to be employed.

932. These shares were handed down from father to son, so long as the house continued?—Generally, but not as a matter of course; because, when a man died, his son did not succeed him unless he was appointed in his own person; if the father died, the son was not necessarily continued in the Company's business.

933. Do you not believe that the dyeing cloth could have been executed more cheaply in the country than in London?—At that time I apprehend it could not have been conveniently done in the country at all. It was the custom of the Company to buy the broad cloths from the makers in the rough state.

934. I think you said this dyeing applied to long ells, not broad cloths?—I am speaking of the former practice, which applied to both kinds. I do not think the long ells could be dyed in the west of England. There was a dyer or two at Exeter, but no one applied to participate in the work.

935. Could you give the prices at which the long ells have been dyed in London?—Certainly.

936. And the number of pieces dyed in each year, with the colours?—Yes.

937. While it was done by distributing it to the different houses, was any inquiry made how much higher or lower it could have been done by open tender?—No; the business went on from year to year by agreement, fixing the price with the dyer, some of the shares being subject to an abatement below the general price.

938. Can you state what is the value of the cargoes exported by the Americans from this country to China?—There is already printed, in the Parliamentary Papers, the value of the American trade at China, exports and imports, as drawn up at Canton; but I apprehend there would be a difficulty in obtaining an account of the exports from this country, for I suppose the American ships are not always entered out to China direct.

939. Have you any new papers to hand in, or do you refer to papers already before previous Committees?—To papers before previous Committees: the papers ordered to be printed on the 11th October 1831, p. 661, Ac. 27; also papers presented by command of His Majesty on the 29th June, ordered to be printed on the 4th June 1829, Nos. 25, 26 & 27, pp. 40 to 43; and there may be more.

940. You have no knowledge on the subject?—I only know it from the papers.

941. As the buying department, both for India and China, belongs to your office, do you make a point of examining what the export articles are on board of American ships to China, in order that, on the purchases made, you may save the cargo from the demand existing in China, and ascertained in this manner?—The provision for China is made upon an annual requirement from the Company's servants at Canton, which governs the Company as to the minimum, but they generally exceed it. A statement has been printed by the House of Lords, which shows the quantity demanded at China of the respective articles of commerce, and the quantity sent.

942. You had better refer to the paper?—It is No. 98, printed by the House of Peers, up to the year 1829–30; and there is now an order of the Peers to continue the account up to the latest period.

943. Has much alteration taken place of late in the articles exported to the China market, or do they continue to be much the same as they were some years ago?—The leading articles are the same, that is to say, the broad cloth and long ells, which are the principal, but the Company have exported British calicoes, cotton twist, and a variety of other articles.

944. Was not there a bargain between the India Company formerly, and the miners in Cornwall, that the Company should export a certain quantity of Cornish tin to China; and when did that bargain cease, if there was one?—There was an agreement that the Company should take so much tin of the agents for the county of Cornwall, at a certain price; I do not remember the exact price; but that arrangement ended with the charter of 1793, and there has been no agreement with the county of Cornwall since; they have a better market. If you please to look to the foot of the paper laid before the House of Lords, a memorandum will be found relating to tin.

945. Of late years there has been no Cornish tin exported to China?—None at all by the Company; tin is imported into Europe largely from the eastern parts of India.

946. When did the Company's export trade in tin cease?—It was discontinued with the export season of 1816–17; but three years afterwards some was taken by the Company to China. It finally ceased in 1821–22.

947. Was there any export of tin from this country before that?—It commenced in the year 1788.

948. Are you able to show whether it was a losing or a gaining concern?—Some years it was a losing, and in some years a gaining concern.

949. It was permanently profitable until a given year?—Many years it was attended with a loss, many years with a profit; upon the whole it was unprofitable. I have a view of it from 1793.

950. Is the paper you are referring to, printed any where?—This paper was made out by order of Mr. Villiers, who desired to see a continuation of the account of the China trade presented to the Lords' Committee on Foreign Trade in 1821.

951. What is the paper?—An account of the profit and loss of the East India Company on woollens, metals, British calicoes, and miscellaneous articles, sent to China, from the season 1793–94.

952. Did you bring this here intending to put it in?—I made it out at Mr. Villiers's request; but if regularly presented to this Committee, it should be authenticated by the Company's accountant.

953. Has the India Company of late exported cotton twist to China?—Yes.

954. What has been the quantity, in the last year of which you have an account, that the Company has exported?—The Company exported some cotton twist about

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10 or 12 years ago; it was in the year 1820-21. It then ceased until 1827-28, when the Company sent out 90,000 lbs. weight; in 1828-29 they sent out 300,000 lbs.; in 1829-30 they sent out 300,000 lbs.; in 1830-31 they sent out 480,000 lbs.; in the present year the committee were proceeding to send out 480,000 lbs., and had bought 240,000 lbs. in part, but information was received from China, dated 2d April 1831, in which the Company's servants say, "In two districts in the immediate vicinity of Canton, and in another about 20 miles distant from it, very serious commotions have taken place among the natives at the introduction of cotton yarn. They loudly complain that it has deprived their women and children, who had previously been employed in the spinning of thread, of the means of subsistence; they have resolved not to employ the cotton yarn in their looms, and have expressed their determination to burn any of it which may be brought to their villages. These districts are very populous, and the people, as is so generally the case in China, industrious. While this is a proof of the triumph of English machinery, it is at the same time an indication that its success is calculated to create the same sensation of discontent among the working classes here as in other manufacturing countries. We do not learn that the officers of Government have as yet taken any notice of these disturbances; should they endeavour, by high or prohibitory duties, to check the importation of cotton yarn, we believe that it would only be followed by a further extension of the smuggling trade."

955. At what price was it offered for sale in the Canton market?—By bargaining with the Hong merchants for the most they could obtain for it.

956. What was the most they could obtain for it?—Their usual way of dealing in Canton is, not to put a separate price for each number of twist; they buy it at one average price.

957. You can state what was the quantity of each number sold, and what was the average price received since the year 1827-28, and you had better give the prices for each year?—It is bought here by the pound, and sold there by the pecul; of the *numbers* of the twist, 20, 50 or 80, one may cost three times as much as another in England, but in China it would all be sold at one and the same price.

958. Can you give the quantity of each number sold, and the price received?—There will be no difficulty in that, if required by this Committee; but the result of the sales is known for three seasons, which shall be prepared.

959. Do you know whether any considerable quantity of cotton twist has been exported by private traders, either Americans, direct from this country, or the British, after exporting it first to India?—I cannot answer that question. There is reason to believe that the first parcel of twist the Company sent to China, the 90,000 lbs., after the Hong merchants had bought it of the Company, was not consumed in China, but was sold to the Indian traders, who took it to Calcutta, and it has been said that it ultimately came back to England.

960. Has that which was exported since 1827-28 yielded a profit or a loss?—The first consignment of 90,000 lbs. was chiefly fine twist, and was sold at a great loss; the subsequent consignments were of lower numbers, and sold at a profit.

961. Is it believed that this commotion will have the effect of preventing the sale of it in China, or is it believed it will form an extensive article of export?—In the letter the Company has received from China, dated 17th October 1831, it is stated that, in consequence of a fraud being detected in the manufacture of coarse satins for the Indian market, by using twist of the high numbers instead of silk, it had become unsaleable at Canton, and had been transhipped to Singapore and elsewhere.

962. Did the arrival of the letter, of the 2d April 1831, you have read, from Canton, stating the opposition to receive the cotton twist, induce the Court of Directors to stop the export they had prepared?—It certainly prevented the Company from sending the second 240,000 lbs.: they had bought half the quantity when the information came, and then saw it expedient to pause for the present season.

963. The Chinese did not carry their threat into execution of stopping the sale of it?—I believe not.

964. Did the Chinese government, as well as the people, in any way endeavour to resist the importation of cotton twist into China?—There is no information upon that point before the Court.

965. Can a statement be furnished of the profit or loss which the India Company derived on their export to Canton of woollens, metals, or other British manufactures, for the last 10 years, without estimating in such an account the profit or

loss in reference to the tea investments?—The mode of dealing is, that everything is sold for its actual worth in the market, and therefore the profit or loss can be readily shown on any article.

966. Are you prepared with such an account?—I have the account before mentioned, which has been prepared by direction of Mr. Villiers, part of which has been laid before Parliament in the Lords' Report of 1821.

967. Is yours a correct account?—I trust it is; but still it may not be exactly right. All accounts are best made out by the accountant.

968. In what manner is the value of the tale computed?—At 6 s. 8 d.

969. Are you aware that there was a statement laid before the Committee on Foreign Trade in 1820–21, of the profit and loss on woollens and metals for a period of 26 years, from which it appeared that there was a profit only on three or four articles, and a loss on all the rest, which loss amounted to between 60,000 l. and 70,000 l.?—This Account, in p. 151 of the Lords' Report of 1820–21, is for 26 years, ending 1818–19.

970. Are you aware of the result which the former account exhibited?—Yes, it is here. The net loss in the 26 years is stated to have been 1,668,103 l. sterling.

971. Are you aware that the export trade has been carried on more profitably since 1820–21 than it was previously?—Very much so.

972. What has been the aggregate profit or loss in the period since 1820–21?—It is stated in the paper which has been referred to.

973. There is each year stated, but no aggregate?—Yes; but it would perhaps be inconvenient to add it up at the present time.

974. Is anything allowed in this account for the charges on trade for the expenses of the establishments in China?—I think not.

975. Has the Company relinquished, during the last few years, the import trade from Canton of all articles excepting tea?—The Company formerly imported China raw silk and nankeens, but they have discontinued it.

976. What has been their motive in discontinuing all the export trade from China, excepting tea?—They became losing articles, and the Company discontinued them. The Court say: "19th April 1822. The stock of nankeens now in our warehouses belonging to the Company and private merchants exceeds 765,000 pieces; the loss at our late sales has amounted to 21 per cent. on the prime cost and charges; and there is no prospect of a more favourable market. Under these circumstances we have not deemed it proper to transmit an indent for nankeens on the present occasion, and direct that, till further orders, you do not enter into engagements for an investment of that description of goods."

977. Since that time have the Company imported any nankeens from Canton?—None.

978. Is it not a fact that large quantities of nankeens have been imported from Singapore?—Immense quantities from Singapore and other places to the eastward.

979. That destroyed the trade with China?—I think it had scarcely began at that time.

980. When did the import of nankeens from Singapore commence?—I cannot immediately answer that question.

981. Did any import of nankeens take place through any other channel than by the direct trade of the Company from China before 1822?—There could be no importation direct from China, except on the Company's ships.

982. Did not the commanders import nankeens?—Yes, they were privileged; the Act 1 & 2 Geo. 4, permitted the importation of China goods from all places, tea excepted.

983. My question applied to other articles?—9th April 1824, the Court of Directors say: "The price at which your purchases of China raw silk were effected, exceeds that at which the commodity has been vendible at our sales in the year 1828. Adverting to this circumstance, and also to the great stock now accumulated together in our warehouses, and to the large private imports which will probably take place in the course of the present year, we are led to regard it to be inexpedient that any China silk should be provided on our account in your season 1824–25; you will therefore abstain from entering into any arrangement for a supply of that article until you shall receive further directions from us upon the subject."

984. Since that period has any China silk been imported?—Not by the Company.

985. Have not large importations taken place on private account?—Very large.

986. Did

986. Did not the price of China silk rise last year?—I think not.

987. The Company at present only imports tea; neither nankeens nor silk. Are you aware that the market of Europe has been less adequately supplied with those other articles the Company used to import, since the period when they ceased to deal in them?—It is matter of public notoriety that the market has been doubly supplied with nankeens, and very fully with raw silk.

988. Have you any grounds on which you can state whether the trade carried on in those articles by private individuals has been a losing or a gaining concern?—This is matter of opinion, but I should say a decidedly losing concern.

989. Do you know that from any examination of accounts?—No, from general information. The goods are sold at the Company's sales, and of course we know the prices they obtain.

990. Do you know, and can you state, what is the annual amount of goods sold on private account at the Company's sales?—That could be shown by the accountant; but I apprehend the Committee could not form any conclusion from it as to the extent of the trade; large quantities of goods are cleared by valuation, and large quantities do not come into the Company's warehouses; some are imported into Liverpool, Glasgow, &c.

991. Can you state whether the price of China raw silk in 1814 was 21s., and whether the price in 1822 has not been as low as 13s. 6d.?—The price in 1822 was as low as 13s. 6d.; what it was in 1814 I cannot say without reference.

992. Have the prices of camphor and cassia fallen in the market of Europe since the Company ceased to deal in them?—The Company never dealt in camphor or cassia.

993. Has the importation of camphor and cassia from China been considerable of late years?—The Company's warehouses contain much of both articles.

994. Do you know whether the price of camphor and cassia has fallen very much of late?—As far as general knowledge goes, I can say that they have; the alarm of late had raised the price of camphor a few pounds, but it has gone down again.

995. It appears that in 1813-14 the value of imports into Canton was 5,646,000 dollars, and the value in 1830-31 was 4,007,046 dollars, which was a falling off in the imports of 1,600,000 dollars; what account can you give of this falling off in the amount of the exports to China?—The Company's exports to China have increased in quantity (except the long ells and camlets) and diminished in cost.

996. Is that borne out by matter of fact, that the quantity of exports remains the same as before?—In 1813-14 the accounts of long ells was much larger than they are now; the quantity of broad cloth was much smaller than it is now; the camlets were larger; on the whole, everything has been bought at such a reduced price, that although the quantity has increased, the cost of them has diminished.

997. Are you aware that in 1813-14 the private trade was 6,035,128 dollars, and that in 1829-30 it was 18,447,147 dollars, showing an increase of 200 per cent.; can you account for this large increase of private export at the time that the export of the Company has diminished?—That is what I am unable to speak to further than is stated in the Second Report of the House of Commons, ordered to be printed 11th October 1831, p. 662; but I apprehend the imports of opium must be included in the statement of the Indian trade.

998. Would this large increase in the export trade from India to China have taken place if the Company's monopoly in opium had not been broken in upon by the import into China of the Malwa and Turkey opium?—I am not able to speak to this.

999. What are the sole articles that the Company now import from India or China?—The sole article the Company now import from China is tea; from India they import raw silk and saltpetre made at their own factories, and indigo, which is bought in Calcutta: some silk piece-goods are still imported by the Company; sugar has been lately discontinued.

1000. Are the silk goods manufactured by themselves?—The commercial resident at Cossimbazar issues advances to the head weavers, under contracts for bandannoes to be delivered in return.

1001. Since when has the import of sugar been discontinued?—Orders are now on their way to India to discontinue it.

1002. In what manner is the sugar imported by the Company obtained?—The Company have a factory at Benares, with some established servants, who employ agents to go about the country and buy sugar from petty manufactures.

1003. The Company purchases it after it has been refined?—Yes.

1004. Can you state what was the total amount of Indian imports by the Company on an average of the last three years, omitting China?—I have it not here; it can be furnished, if ordered by this Committee.

1005. And what is the amount of the articles imported by the India Company during the last three years, prepared by themselves, which should include the raw silk and the saltpetre only?—That account can be furnished if ordered.

1006. What are the total annual charges of the Company in India, as respects offices and establishments in India?—Returns of the commercial offices at Bengal will be seen in p. 672 of the Second Report of the House of Commons of 1831; the commercial establishments at Madras are abolished; at Bombay there is one factory for the provision of cotton to be exported to China.

1007. Do you know what per-centage the commercial charges in India, so far as regards offices and establishments, forms on the whole amount of the articles imported from India?—I cannot readily show this; the whole of the commercial charges are included in the invoices of the goods.

1008. Can you state what is the estimated value of all the commercial buildings in India?—The value of the buildings in Bengal, as relates to the silk factories, is in Appendix 25, p. 659.

1009. In estimating the cost of the silk, is any per-centage allowed on the capital expended in the silk factories?—Yes, but this is a modern practice.

1010. To how late a period has the account of commercial charges been made up?—Up to 1827; but last year a further reduction was made.

1011. Does there exist at the India House the materials for stating what is the value put by the Company on all their commercial buildings in India?—The auditor could state that.

1012. You are not able to state it yourself?—No; the value of the filatures will be found in p. 659 of the Second Report.

1013. The question was whether, in estimating the invoice price of the silk, an allowance had been made for interest on the capital invested?—It is not made; a charge for wear and tear of buildings is made.

1014. Since when has it been allowed?—For the last two or three years.

1015. What do you mean by "suspense charges"?—A portion of the charge for commercial servants.

1016. In the Account, p. 658, there is no allowance on the capital?—There is not.

1017. You said you could refer to an account where the estimate on the capital has been included?—I can refer to an account of the number and value of the filatures, but the general statement I cannot furnish.

1018. Have you any account in which the interest on the capital has been added in making up the invoice price?—I believe not.

1019. Had you anything to do with the making up this Account (p. 658)?—No.

1020. Do you not think that in making up such an account, in order to have it correct, an allowance should be made for the interest on the capital?—That is matter of opinion.

1021. What is your opinion?—It is part of the cost of the silk, I should say, certainly.

1022. Is it your business to ascertain, or can you state, what is the amount of all the outstanding commercial balances in India, by the last advices?—That is the business of the accountant; I beg leave to refer to p. 579 of the Second Report of 1831.

1023. Can you state what is the amount of commercial debts in India struck off as irrecoverable since the commencement of the present charter, and whether there are any means at the India House of making such a return?—I cannot furnish it; but it can be made up by the officers at the India House.

1024. Does the Company possess any advantage over the private merchant in making purchases of indigo in India?—The way in which indigo is purchased is by public notification or advertisement that the Company are desirous to buy indigo.

1025. What is the form of the notification?—The manner in which the Company formerly provided indigo, and the circumstances respecting it are stated in the papers annexed to the Fourth Report of the Select Committee of the House of Commons on the Affairs of the East India Company in 1812, pp. 115, 119, and

224. The present mode of provision is as follows: the Court of Directors, in the month of June yearly, cause orders to be transmitted to the Governor-General in Council,

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Council, signifying their view of the quantity of indigo which may be provided in the succeeding Indian season, and the prices which may be paid for it. The annual arrivals of Indigo in Calcutta from the interior commence about the end of October; and an advertisement is then published in the public newspapers, signifying that the board of trade are ready to receive sealed proposals, accompanied with musters, from such persons as are desirous of selling indigo to the Company. These tenders are considered by the board of trade, and those which appear most advantageous in price and quality are accepted. This course of practice is continued from day to day, through the months of November, December and January, or until the desired quantity of indigo is procured.

1026. When did the Company commence making remittances from the territorial revenue of India to England by means of indigo?—I am not aware that they ever did so.

1027. When did the Company commence making large remittances to this country in indigo?—In the year 1819–20; the Committee will find the remittance by indigo on the Minutes of Evidence of 11 October 1831, p. 655.

1028. Has any disadvantage arisen to the commercial interests of persons in India from the public revenue being annually invested in the purchase of a single article, to an extent varying from 300,000 *l.* to 700,000 *l.* a year?—The variation in the amount can only be judged of by seeing the orders which were issued at the time; the necessity of remittance of funds to England caused the Court to vary their orders.

1029. Are you aware that the amount to which the investment has been made in indigo, has caused extraordinary rise and fall in the price?—No. I think the Company had liberty to purchase indigo the same as any other house of trade; they had occasion to transmit funds to London, and they did so through indigo as the most convenient mode of doing it.

1030. Has there not been a heavy loss sustained in consequence of the East India Company making their remittances in indigo during the last four years, and what has been the amount of such loss?—The remittance of indigo has lately been a loss to the Company and to everybody else who engaged in it, but the necessity to provide some remittance was urgent, and indigo appeared the most suitable.

1031. Considering the expensive establishments of the Company, and the high freight which they pay, what advantages do you think they possess over the private merchant, in making their remittances in merchandize, as far as indigo is concerned, instead of in money or bills of exchange?—As far as relates to purchasing, the Committee have the result before them; indigo and other goods have lately been hypothecated to the Company by private persons, who give bills of exchange upon London in repayment.

1032. Do you think that the Company, in consequence of paying high freights, and having establishments more expensive than individuals, make their remittances in indigo more disadvantageously than private merchants would make such remittances in indigo?—I should think they are both much the same.

1033. Are you not aware that they pay higher freights than private merchants do?—In the regular Company's ships it is dearer; but the Court are in the practice of hiring ships for a voyage only.

1034. For the last three years has the average rate of freight paid by the Company been more or less than the common rate of freight?—In the Company's ships chartered for six voyages, as before observed, it is dearer; in ships hired for one voyage, it is neither more or less than a private person would pay.

1035. Have the actual freights paid by the Company for indigo, for the last three years, been higher or lower than private merchants sending indigo from India to England would have paid?—They must have been higher in proportion as the indigo was shipped in the regular ships.

1036. If the Company have paid higher freights than individuals would have paid, to that extent have they not remitted to England, by means of indigo, more disadvantageously than private merchants would have done?—It would seem to have that consequence; but the system of ships was forced on the Company by law, they were compelled to take up their ships in that way.

1037. Have you stated what is the total loss on the remittances on indigo during the last four years?—Please to see p. 656 of the Second Report.

1038. From 1819 up to the present time, what has been the average remittance per sicca rupee made in indigo?—It is stated in the printed papers to be 1 *s.* 11 $\frac{1}{2}$ *d.* and rather better.

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1039. It appears that the difference between the current rate of exchange of 1 s. 11.1886 d. the sicca rupee, and the remittance by indigo of 1 s. 11.5814 d., has been 39-hundredths of a penny per sicca rupee; do you think it was worth the Company's while to carry on the indigo trade at so very small an advantage?—Under the circumstances, I should apprehend indigo was preferable, even if it afforded no advantage over bills.

1040. But supposing the statement to be correct, that the current rate of exchange of the sicca rupee is 1 s. 11 d. and 58-hundredths, being the remittance by indigo, the difference between the two being only 39-hundredths of a penny per sicca rupee, do you think it was worth the Company's while to carry on the indigo trade at so very small an advantage?—I beg to refer to my last answer; it will be seen in the account, however, that purchased indigo has afforded a very good remittance to the Company.

1041. Do you think it was worth the while of the Company to carry on the indigo trade in preference to another means of remittance?—Not if a more profitable means could be devised.

1042. It appears that during the last four years, if the Company had made their remittances by bills of exchange, instead of indigo, they would have saved 291,455 l.; is that not so?—I should humbly presume that the account must be taken in its whole extent.

1043. Do you conceive that if this Government had to make large remittances to the Continent for the pay of armies or making subsidies, it could do so more advantageously, by sending cotton or broad cloth, than it could by remitting bullion or by making the remittances through bills of exchange?—Most probably, by either bullion or bills of exchange; but I do not find myself competent to reason upon this point.

1044. Then why should the Company turn merchant, in order to make remittances, when the Government of this country does not find it worth its while to turn exporter of merchandize for the purpose of making remittances?—It is not in my immediate department to speak to this; but the Company, at the same time as they have been purchasing indigo by paying for it in Calcutta, have also been taking bills of exchange on London, to any amount they could obtain.

1045. Inasmuch as they turned merchants of indigo, did they not to that extent prevent private merchants from sending indigo; and would not bills of exchange have been drawn on London for the indigo by the private merchants, if the Company had not interfered in the indigo trade?—The indigo would probably have been sent to London by the private merchants; but would the Company have benefited thereby?

1046. Would not bills of exchange have been drawn for the indigo so sent by private merchants to this country?—The Company had offered to do so, as appears by their letter to Bengal of 3d June 1829. They say, "To one of the modes of drawing supplies to our home treasury, which was noticed in our letter of September 1813, we have not hitherto resorted. We allude to the measure of our Indian government making advances to individuals upon the security of goods and merchandize to be consigned to our care and management. We are desirous that this measure should be tried, and we therefore authorize you to give public notice that your government will make advances upon security of this description. We think you should limit the advance to two-thirds of the value of each consignment, such value to be ascertained by your officers upon actual inspection of the merchandize to be shipped. The parties to whom advances may be made must agree that the consignment be landed at the East India Docks, that it be delivered into our warehouses, and be subject to our management. For the repayment of the advance you will require bills of exchange, to be drawn in triplicate at six months' sight. Should the consignees require the delivery of the goods without passing the Company's sales, before the bills become due, the advance must be paid previously to such delivery, and we will allow interest at four per cent. per annum for the time the bills have to run. As a further security, the parties should be required to place bills of lading in triplicate, and the policies of insurance, in the hands of the officers of government; two of the bills of lading you will transmit to us, the policies of insurance you will retain until advice from us has been received of the due discharge of the amount advanced. With respect to the rate of exchange at which the advance is to be repaid, you will of course use your endeavours to obtain as favourable a rate as the state of trade and the money market shall authorize; but we desire you will not make any advances at a lower rate

rate than 1*s.* 11*d.*, (one shilling and eleven pence) per sicca rupee." This measure has not however succeeded; the whole amount of bills on London obtained at 1*s.* 11*d.* per sicca rupee, not having been more than about 400,000*l.* in the course of 24 months.

1047. In the return made to the Committee of profit and loss in the Company's investment of indigo, ought not the interest to have entered into the computation, at least for such period as the indigo remains unsold beyond the usual period at which bills drawn in England are payable; and in a merchant's account would not interest have been allowed for the whole period?—I should think not, as the rate of exchange allows for the interest.

1048. If a merchant was to make up his account at what rate he made a remittance of indigo from India, must he not have made interest enter into such computation to obtain a correct account, particularly if he was trading with a borrowed capital, and himself paying interest on the capital so advanced?—We presume that is not the case with the Company's capital.

1049. If he was trading with a borrowed capital, and paying interest on that capital, must he not make a computation of the interest enter into the account from the time the advances were made?—He probably might do so.

1050. If interest has not been allowed in making up the indigo account, explain on what principle it is that interest has not entered into the computation?—I apprehend it is a comparison of taking bills, or of purchasing the indigo. In the former years of the account it was in favour of the purchaser. In either case the money is advanced from the Company's treasury in Calcutta, at the same time equally realizable in London; and therefore I conceive, if interest should be charged on the indigo, it should be charged on the bills also.

1051. The question is, whether interest ought not to be allowed for such period as the indigo remains unsold beyond the usual period at which bills drawn from India or England would be payable; in calculating the profit and loss, would not that be the correct mode of making the computation?—It probably would.

1052. Has the computation been made in that way?—It has not.

1053. Has the indigo remained unsold at a later period than bills drawn in the ordinary manner from India upon England would have become payable?—In the present state of the market I should think the bills would have been realized before the indigo was sold.

1054. How much later on the average would the indigo have been realized than the bills would become payable?—I cannot answer that question.

1055. Can such an account be made up?—I should think so.

1056. There being at present no export of British merchandize to India, and no export of bullion to India, are there any other funds than the territorial revenues of the State employed in procuring the Company's investment of silk in India?—I apprehend that all the Company's investments are provided from their commercial funds, and that it admits of no other mode of stating it.

1057. Are not advances made out of the territorial revenue in India in making investments in silk?—I apprehend not. I do not understand it so, according to the best view I can take of the subject.

1058. Then explain why you think they are not?—The Company advances money from their treasury in London on account of the territorial branch of their affairs, for which they have credit in India; and as the territorial branch of the Company's affairs is greatly indebted to the commercial branch, what is issued by the governments in India to buy raw silk and indigo is, *pro tanto*, a repayment in London for the amount which the territory owes to the commerce. I am not able to look at it in any other view. I think the accountant would be more able to answer the question than I am; but so long as the commercial branch of the Company's affairs is the creditor of the territorial branch, it cannot be said the investment is provided by the territorial revenues.

1059. Is not the principal motive for the Company making investments in silk, and are not the commercial establishments connected with silk maintained for the purpose of enabling the Company to remit the territorial revenue to England?—They are maintained as a medium by which the remittance of the amount due from territory to commerce may be in part effected. The Company export nothing to India in the way of merchandize, and they bring no merchandize from India, with reference to profit and loss; but the raw silk does not realize in London as much silver as it had cost in Calcutta. It is a losing concern, so far, to the commercial branch.

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1060. Can you state upon what principle the column in the Account, p. 656, of the investment of raw silk, and headed "Cost of Provision, &c." has been made up?—I think it is explained in p. 658.

1061. Does this column include the proportion of the general charges of the commercial establishments in India?—They are added afterwards in the same account.

1062. In which column is the proportion of the commercial establishments borne by the silk?—It is included in the factory cost.

1063. Do you know that to be the case?—Yes. It includes the whole cost of the silk, the expense of people winding it, and so on.

1064. Does it include the proportion of the expenses of the commercial establishments?—The sum total of the invoice embraces every kind of charge that attaches to the silk, except interest.

1065. On what principle is the item called "wear and tear" computed, and what means are possessed at the India House of checking such computation, considering that it is stated in a Report of 1831, p. 659, that no account of the buildings at the several silk factories has been transmitted from India?—The item was assumed upon estimate.

1066. How is it known that this statement is correct, and on what principle is it that the account has been computed?—In consequence of notice being taken that these charges were not added, the Court (28 November 1827) ordered that a per-centage be added on account of fixed capital invested in commercial buildings, and also for irrecoverable debts.

1067. Then the column headed "wear and tear" is a computation not founded on the actual ascertained wear and tear of the buildings in question?—Not on the actual ascertained wear and tear; an estimate only.

1068. In the Account, at p. 656, of the annual investment of raw silk, from 1814 to 1829, there is no allowance for interest; ought not the interest to be collected from the time the advances were made until the profits of the silk are realized in England, or at any rate until the period of its being shipped at Calcutta?—I can only say it is not the custom to do so.

1069. Can it furnish a correct view of the subject, unless such computation is included in the account?—For the purposes intended I presume it does.

1070. Supposing that during the whole time interest was payable upon the advances made, would it not yield a fallacious return?—If the money was borrowed expressly for the purpose of furnishing the silk, it would have that effect; but this has now become simply a medium of remittance, and the best way you devise to place money in the Company's treasury in London.

1071. Is any allowance made in the accounts furnished for irrecoverable balances to the growers of the mulberry, or to the feeders of the worms, or for similar advances made to any other party?—These outstanding balances are contemplated in the order of November 1827.

1072. Do these accounts include balances advanced to the growers of the mulberry and the feeders of the silkworm?—The Company do not deal immediately with the growers of the mulberry, nor with the feeders of the worms. The agent who comes in immediate contact with the Company is a middle-man, called a pykar, to whom advances of cash are made by the commercial resident, which the pykar circulates amongst the breeders of silkworms throughout his district. There are some exceptions to this course.

1073. Does this account include all the sums that have been so lost?—I presume it is meant to embrace them.

1074. Is it an actual account of the balance?—I can say nothing further than appears from the account itself; further explanation can probably be given.

1075. Can an account be furnished showing what the sum actually lost has been?—Accounts of outstanding balances can be shown.

1076. Does this include the losses with all the advances made on account of the pykars?—It is furnished by the accountant.

1077. Do you believe it to be correct?—I can have no doubt it is.

1078. It is stated in the Account, p. 579, that the balance which may have arisen from the advances made on account of provision of silk, cannot be distinguished from the advances on account of the other articles of investment provided for the several commercial residencies, and that a return of the outstanding balance of raw silk cannot be furnished; does it not appear from this statement that this account of the outstanding balances and loss must be a matter

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matter of computation?—No; the books will show what stands out at any period of time.

1079. Is that consistent with the statement at the foot of this account?—I understand the statement to mean only that the gross amount of balances cannot be apportioned to the particular goods.

1080. Does it not appear from the Account, p. 656, that upon five years out of 16, a loss was sustained by the Company on the silk investment, amounting to 223,980 *l.*?—It certainly does so; but if the Committee please to look at the average number of years, the raw silk has been a very good remittance.

1081. Comparing the 10 years of the silk investment with the 10 years of the indigo investment, it appears that the remittance made by the silk was on an average of 2 *s.* and 8-hundredths of a penny per sicca rupee, or no more than 5-10ths of a penny above that made by the indigo; supposing that to be correct, do you consider that it is worth the while of the Company to maintain, for that small difference, the large commercial establishments it has connected with the furnishing the investment of raw silk?—I would beg to refer the Committee to what I have taken the liberty of offering upon the comparison of indigo with bills of exchange.

1082. Had interest been reckoned on the advances made, from the time of receiving them until the shipment of the silk at Calcutta, and had the actual rent, wear and tear of the buildings, entered into the computation, do you think that even the difference of one penny per rupee would have existed between the remittance in indigo and the remittance in silk?—Probably there would have been no difference.

1083. Can you state what was the cost of the Company's investment of raw silk in Calcutta in 1814 and 1815, and what it was in 1829 and 1830?—Yes.

				Maunds.			Per Maund Sicca Rupees.
1814	-	-	-	9,619	-	-	455
1815	-	-	-	6,920	-	-	424
1816	-	-	-	5,063	-	-	425
1817	-	-	-	5,011	-	-	481
1818	-	-	-	10,053	-	-	504
1819	-	-	-	7,350	-	-	532
1820	-	-	-	10,815	-	-	558
1821	-	-	-	10,950	-	-	597
1822	-	-	-	11,323	-	-	590
1823	-	-	-	11,292	-	-	591
1824	-	-	-	8,745	-	-	591
1825	-	-	-	9,282	-	-	612
1826	-	-	-	12,010	-	-	594
1827	-	-	-	12,287	-	-	611
1828	-	-	-	13,801	-	-	569
1829	-	-	-	14,970	-	-	524
1830	-	-	-	14,591	-	-	501
1831	-	-	-	13,719	-	-	486

1084. Does it not appear from this account that there has been a progressive rise in the price of raw silk from 1815 to 1830?—Yes.

1085. How do you account for that rise?—By the Company endeavouring to increase their quantity of the silk.

1086. Why should the endeavour to increase the quantity raise the price?—The supply was not equal to the demand, and the growers availed themselves of that circumstance.

1087. Has the price of Bengal raw silk in this country fallen since 1814, or otherwise?—That will be found in Account 24, p. 39, of the papers of 4th June 1829.

1088. Have you got the sale price in 1832?—That is the current year; there was a sale in February, but it was unfavourable.

1089. What was the price in 1814?—It was very high; 24 *s.* per pound for Company's Bengal silk.

1090. Supposing that in 1814 the price of Bengal raw silk was 16 *s.* per pound, and in 1832 it was 14 *s.* 1 ½ *d.* Indigo fell during the same period from 10 *s.* 9 *d.* to 4 *s.* 5 ¾ *d.*; pepper fell during the same period from 15 ½ *d.* to 3 ¾ *d.*; and

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Bengal sugar from 50s. 8d. to 24s. 6d. Can you state the reason why a fall has not taken place in the price of Bengal silk in the same proportion as it has in all other Indian commodities?—I can only presume that silk had not kept pace in rise of price with other commodities, consequently the fall has not been so great. The consumption of silk is steadily increasing, and the East India Company have endeavoured by all proper means to augment the quantity of Bengal raw silk, and have been successful, as also in maintaining its quality. No more silk has been produced than the market required; of other commodities there has been evidently too much.

1091. If a fall corresponding to the fall in other articles had taken place in the price of raw silk, would not the silk manufacturer in this country have been greatly benefited thereby?—I am not prepared to give an opinion.

1092. If it has benefited by the fall that has taken place, would it not have been still more so if the fall in raw silk had corresponded with that of other articles?—I beg to refer to my last answer.

1093. Would there not have been a corresponding fall in the price of silk if the Company had not interfered in the silk trade?—The trade in silk is perfectly free; if the Company declined to make silk, and gave up their factories, it is impossible for me to say whether any person would embark their capital; the Company's filatures with the machinery are probably worth 20 lacs of rupees or more, if actively employed.

1094. The Company's silk factories commenced in the year 1770, and the manufacture of indigo by Europeans in 1785; the value of the Company's raw silk in 1827 was 78,63,000 sicca rupees; the value of indigo exported from India at the same period was 3,89,78,653 sicca rupees; how do you account for this very great excess of the increase in indigo beyond the silk, considering that the Company's filatures have been much longer established in India than the manufacture of indigo has been established by private Europeans?—I consider the real manufacture of indigo in India was created by the Company, the old Indian way of making indigo was very imperfect; the Company advanced money to the indigo planters, as is recorded in the Parliamentary Papers. But what caused the great and sudden prosperity of the indigo trade in Bengal was the destruction of St. Domingo, which supplied nearly all the world with indigo previous to the French revolution; but after the revolt of the blacks, it did not produce a pound; the indigo factories were all destroyed in the very early days of the revolution.

1095. It was stated on the Committee on Foreign Trade in 1821, that at that time no improvement had taken place for a long time in the quality of Bengal silk; can you state whether any improvement has taken place since that period, and if so, have you any correct means of ascertaining to what extent that improvement has taken place?—The Company introduced into India the Italian method of winding silk, and at a great expense have maintained that kind of machinery. The silk of Bengal is not so strong in its nature as the silk of Italy, France or Turkey; and Bengal is the only country within the tropics that produces silk as an article of merchandize. I am afraid, if the Company did not continue to produce silk, the Italian method of winding it would fail, and the silk fall back to its old character.

1096. How does it happen that private individuals do not apply their skill and industry to the production of silk in India, to the same extent as they have done to the supply of indigo?—I am not in a condition to answer that question; but I presume the indigo was more profitable.

1097. Do you think the maintaining of these establishments by the India Company is one of the causes why individuals have not applied their skill to silk in the same manner as they have done to indigo?—Persons have come out from England and built filatures at a considerable expense, but found it did not answer their purpose. There is no restriction.

1098. Do you know who it was who sent parties out from England for that purpose?—I do not remember their names.

1099. Are you aware that shortly after the last renewal of the charter there were parties who wished to send out agents to superintend the filature of silk, and license was refused them?—I know nothing of that; persons have certainly proceeded to India, and have erected silk factories.

1100. Since when?—I cannot speak exactly as to time.

1101. Would it not be a great advantage to the silk manufacturers in this country, and enable them to compete more successfully with foreigners than they do at present, if an improvement in silk correspondent to that in indigo was to take place?

—Many

—Many years of assiduous attention have been paid to the Bengal silk by the Company; and further measures are at this time in progress to introduce European silk-worms and mulberries.

1102. What detriment, in your opinion, would accrue to the Company if they were to relinquish their silk filatures and trade in silk, leaving their premises, and allowing other Europeans to carry on the trade, not having the India Company as a competitor with them in the same trade?—My opinion is, first, that no man, or body of men, could be found who would take the Company's filatures at anything like what they are worth; if they did, from what we see of private trade, I think the silk would degenerate. Mr. Durant says, in effect, that Italian silk is good, French silk is good, and Indian silk is also good, each in its way; and Bengal is as much required as any other kind, if not more so.

1103. Does not the value of the silk establishments, according to your former evidence, principally depend on their being a means of remittance from India to England; and if the Company was to make their remittances by bullion or bills, at a rate equally advantageous, and were also to obtain a net rent for their present silk establishment, would they not be the gainer by such a change of system?—They would be so on the supposition that they could get men to take their works; but is not something to be considered in respect of exporting the bullion? so long as the Company maintain their silk factories, and make 70 lacs'-worth of produce, so far as that goes it prevents the necessity of exporting so much bullion.

1104. If individuals were to continue the manufacture on as great a scale as the India Company now carry it on, would not the drawing on England for the amount of silk so remitted by individuals afford the same means to the Company of making a remittance to England which they now have by themselves conveying the silk from India to England?—If all the silk was available to the Company as an article of remittance, it would be the same thing; but how could you be sure it would be all at the Company's option at a reasonable rate of exchange?

1105. If individuals were to carry on the silk trade, would not bills be drawn to the amount of the silk so remitted?—The bills might be drawn, but they might not be at the option of the Company. At present the Company are remitters by bills, and so far as the value of the Company's silk goes it prevents them from being greater remitters by bills; deprive the Company of the silk, and you add to the Company's necessity for drawing; for inasmuch as they grow silk and send it to London, they are kept out of the market for the like amount of bills.

1106. Suppose the Company are now buying bills to the amount of a million by this remittance of silk; suppose they let their filatures, and the individuals drew on London to the amount of that million, for the silk which they sent, the Company would then have to purchase bills on England to the amount of the million, but there would be more bills to be disposed of by individuals to the very same amount of the million to be remitted; would not the number of bills increase, supposing individuals were to carry on the silk establishment, in the same proportion as the demand of the Company for the bills would increase?—This is a question which involves various considerations; I am not enabled to give an answer.

1107. Has not the number of hundred weights of saltpetre imported by the Company declined to about one-fourth of what it was in the year 1814?—It has declined.

1108. It was 146,000; it is now 37,300?—It is so.

1109. Is not the total quantity of saltpetre now imported much greater than it was during any period of the late war?—I am unable to answer this without the accounts.

1110. In what year did the Company's exclusive monopoly of saltpetre cease?—The right of the Company to the exclusive provision of saltpetre in Bengal is so connected with their privileges as the ruling power in India, and with considerations of revenue, that it does not admit of being answered without consideration, and reference to documents. But in fact and practice the trade in saltpetre has been entirely free since 1814.

1111. Has there been a great fall in saltpetre since the private trader has imported it?—Very great; it has fallen to so low a price that it has been bought to throw on land for agricultural purposes.

1112. Was not the price in 1814, 89s. 6d. per cwt.?—Yes, and in 1823 it had fallen to a guinea; in 1830 the stock was nearly all gone, and at the Company's sales it began to rise from 28s. to 33s., 37s. and to 42s., and now it is 37s.

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1113. Has the Company's import of saltpetre been profitable to them, or otherwise?—The amount of profit and loss on saltpetre since 1794 will show that previously to the charter of 1814 it was profitable; subsequently it has been very unprofitable, until 1830.

1114. Had not the Company a contract for supplying saltpetre to His Majesty's Government?—Yes.

1115. What were the terms of that contract?—The terms were that the Government should be furnished with 1,500 tons of saltpetre in two years, at its actual cost and charges, and repay the Company for the cost at the rate of exchange agreed by the Lords of the Treasury for monies advanced in India by the Company for the public service.

1116. Is that contract still subsisting?—I believe there is a small balance of saltpetre still due to the Government.

1117. What was the rate of exchange agreed on by the Lords of the Treasury?—In one year 2s. 0½d., in the other 2s., per sicca rupee.

1118. Has the contract proved advantageous or disadvantageous to the Company?—Neither one nor the other as a mercantile transaction, but it was convenient as a remittance.

1119. Does the Company purchase the saltpetre in India from individuals, and merely engage to deliver it here?—The Company make the saltpetre.

1120. What is the price at which they supplied it to the Government?—It was calculated the Company should be able to supply it at 25*l.* a ton, but it was not provided at that price. Saltpetre can only be made in the dry season; the weather proved very wet, and destroyed the saltpetre on the grounds, and instead of the Government getting it at 25*l.*, it cost 34*l.* or 35*l.*

1121. Does not the Company export from India to China a considerable quantity of cotton wool annually, for the purpose of contributing to the purchase of the tea investment?—Very largely, both from Bengal and Bombay, and they did so from Madras until the factories there were abolished.

1122. Is not the cotton wool purchased in the interior of India by the Company's commercial agents?—Yes.

1123. For what reason has not the cotton been purchased in the open market, in the same way as the indigo investment is purchased?—It has not been seen expedient to do so.

1124. What advantage do the Company's establishments in India possess over those of private individuals in making such purchases?—None whatever.

1125. What advantages do they possess over private individuals, in conveying articles to the market at Canton?—None whatever; the Company's Europe ships generally carry the cotton.

1126. Then why do they not make the purchase in the same manner as they make purchases of indigo?—The Company buy the cotton through agents at the principal marts in the interior, and not immediately from the grower; they are supposed to buy it as cheap as any other dealer.

1127. Can you state what the cotton actually cost them for a series of years?—Such an account can be furnished if ordered.

1128. Can you state what in 1821 was the cost of cotton purchased by the Company?—I have not the means here of doing so.

1129. Can you state during the same year what was the market price of cotton in the Calcutta market, so as to show what profit or loss the Company derived from employing agents themselves?—The price in the Calcutta market can be shown for a length of time.

1130. Can such an account be furnished?—Yes, if the Committee are pleased to order it.

1131. Are not the military stores sent to India under your department?—Yes.

1132. Do you not think that woollens for the clothing of the army, stationery, and most articles, with the exception of iron, cannon and fire-arms, might be better and cheaper procured in the markets of Calcutta, Madras and Bombay, than sent out subject to the heavy freights the Company pay?—I apprehend woollens, of all other things, should be provided in the way in which they are now; they can be provided as cheaply by the Company as by any other party, and they should be all alike in quality. Government here have a board of officers to examine all the military clothing, to see it comports in all respects. In like manner the Company's cloth undergoes the most minute inspection. I cannot see how it could be provided cheaper or better in India.

1133. May

1133. May it not be inferred that the goods would be bought cheaper in India than they can be exported by the Company, from the circumstance of the Company having to export such commodities in its official capacity?—I believe the Company provide their woollens cheaper than anybody else.

1134. For what reason, except that the Company found it could not advantageously compete with the private merchants, have they ceased to export articles in their official capacity?—I stated to the Committee, when I last had the honour of attending them, that in consideration of being so large a balance due from the territorial to the commercial branch of the Company's affairs, that the Court of Directors did not deem it expedient to send out anything to India for commercial purposes.

1135. From what you know of the prices of commodities exported by individuals, do you believe the Company could have sold their commodities in India at as low a price?—The Company sold their copper, woollens and other goods, by auction to the highest bidder, in small lots, at monthly sales.

1136. Since the trade has been thrown open, and more especially within the last 10 years, do you believe the Company could have afforded to sell the various commodities which they formerly exported to India at as low a price as they have been selling for in that country?—I am not prepared to answer that question.

1137. You cannot say whether the Company could or could not have successfully competed with private individuals?—The Company's course was to buy the copper and other principal articles by advertisement, and to sell it by auction in Calcutta, as before observed. Copper was, generally speaking, very profitable; and there was a profit generally.

1138. To what period are you referring?—To the time the Company ceased to export.

1139. When did they cease?—In 1824-25.

1140. Has not the price of copper fallen very much since that period?—It is cheaper now.

1141. Is this the only article to which you refer?—Copper, woollen and iron were exported by the Company; the sole reason why the Company left off exporting was the constantly increasing balance due from the territorial branch, and the difficulty in procuring articles of Indian manufacture or produce suitable to the London market, in return for the British staples exported.

1142. At the time they ceased to export, were the prices at which the goods were selling by private individuals in India higher or lower than the prices at which the Company could with advantage afford to sell them?—I have no means of answering that question.

1143. Do you think, if the Company at that time could have derived a considerable profit from the export of articles, that they would have ceased to export?—There was a profit; I have stated the real causes why the Company ceased to export.

1144. How late was there a profit?—I believe up to the time the Company ceased to export.

1145. Was it not the difficulty of effecting the remittance to this country, and the loss sustained in doing so, that was the cause of their leaving off exportation?—Profit and loss was not certainly considered; I have stated the only cause.

1146. Do you mean that between the period of sending out goods and realizing the return in this country, instead of there being a profit there was ultimately a loss?—The Company, until in very modern times, exported merchandize and sold it for the purpose of buying merchandize again, as other merchants or dealers would; but when the Company's funds became involved in territorial considerations, the mercantile part of necessity gave way.

1147. How can you estimate whether there was a profit or a loss, without including in the calculation what was the ultimate return made to the Company in this country, after making an investment in India of the funds received there for the goods sent out, and ascertaining how much was realized in sterling in this country by the sale of the investment?—That would have been part of the consideration if there had been a loss, but the trade with India was profitable up to 1824 and 1825.

1148. Do you mean it continued to be profitable, if you include in the calculation both the amount realized in India on the goods sent out from this country, and the amount realized in England on the return investment?—I mean that copper

exported from London to India, and the proceeds converted into Indian merchandize and brought back, would yield a very good profit. In the year 1814 the Company's sale of Indian piece-goods was a million and a half sterling, and the profit was 414,185 l.

1149. At what rate is that per sicca rupee?—It would require a calculation to speak precisely; but the exchange would be about 3s. 9d. per sicca rupee.

1150. Could they obtain for the rupee, when converted into Indian produce and remitted again to that country, the profit of 257,000l. on the article?—They might have returned the amount to India in bullion at that time.

1151. When was it that the sale of export goods from this country ceased to be profitable?—That would depend on the price at which they could be bought, and the price to be obtained there. For the last six or seven years everything would have been unprofitable, if merely from the difficulty of effecting returns to England.

1152. Since everything exported ceased to be profitable during the last seven years, and individuals have sold their goods at lower prices than the Company could afford, may it not be inferred that stores could have been bought in India at a lower price than the Company has exported them?—I feel a difficulty in admitting that individuals could have afforded to sell the goods cheaper than the Company.

1153. Have not individuals exported various articles cheaper than the Company could with advantage?—I am not aware of that circumstance.

1154. May you not infer that the same consequences would have applied to military stores as have during the last seven years applied to the other articles exported?—Military stores should be governed by other considerations than those of trade; at that time the Company did not allow military stores to be taken into India *ad libitum*, and it is not lawful now.

1155. Suppose the Company had had a contract for the delivery of certain cargoes of military stores, do you believe they could have got them delivered cheaper in India than they could have exported them themselves?—I cannot see any reason why they should.

1156. Has the Company ever made such contracts for stores?—No; I believe only as to coals.

1157. Are the freights greater or less than those of private individuals?—I have before observed that if the goods be shipped in a regular Company's ship, the freight would be little more than in a ship hired for one voyage.

1158. Supposing an article to be purchased in this country for export by the Company and by an individual at the same price, would not an individual be able to contract for its delivery in India at a lower rate than the Company could export it themselves?—I presume I have answered this question before.

1159. In case the Company contracted for military stores to be delivered in India, could they not secure these being of good quality by appointing their own officer in this country to survey them, or an officer to inspect them on their arrival in India?—The inspection of military stores is very rigidly performed, first in England, and secondly after they are landed in India.

1160. In the last case supposed, would it require more officers to examine the goods here previously to their exportation, than it now requires when the Company export them themselves?—I am not enabled exactly to see the difference that would exist in the system.

1161. Do you know how freight on military stores is charged, generally speaking?—There is a certain proportion of freight; it comes to no great deal, I believe.

1162. Are you aware that almost all heavy military stores are sent out in ships taken up by tender at the cheapest rate?—I am not aware of such a circumstance.

1163. Are there not persons appointed in India to survey them?—Yes; but if the stores not having undergone a survey in England should be rejected in India, the consequences might be very serious.

1164. Do not private merchants, to a considerable extent, dispose of their goods at the Company's sales in England?—Yes.

1165. Do they entrust the entire management of their goods to the skill and care of the Company's servants?—Entirely.

1166. Do the Company make the same charges as private individuals for warehousing?—The Company's system of management differs very materially from that at the public docks, and does not admit of comparison. The public docks

docks act simply as warehouse-keepers, for receiving and delivering goods. The East India Company do the same; and in addition, sell the goods, receive the proceeds, and in fact become the agents of the importers, which the public docks do not undertake.

1167. What are the charges at which the Company receive and effect the sales of goods, and what is the difference between these charges for warehousing and those of any of the public dock companies; and also between their charge of commission and the charge generally made by private merchants?—The warehouse charges for landing and housing are about the same as the docks. The charges for sale, and receiving and paying over the proceeds, are such as the Company have from time to time seen it reasonable to require; in fact, they are very reasonable.

1168. What are the commission sale charges?—A schedule is printed, and in general circulation.

1169. Are they higher or lower than private commission merchants are in the habit of charging?—I apprehend on the whole they are lower, because no person is compelled to bring his goods to the Company unless he thinks it advantageous to do so; and still almost all the valued goods are continued to the Company. The Company have their own officers in all the public docks in the port of London, where they receive charge of any goods housed there, which the importers are desirous to entrust to the management of the Company.

1170. Inform the Committee when the present rates were established, and did they exist prior to 1814?—The Charter Act of 1813 laid the trade with India entirely open; and the continuance to the East India Company of the housing and sale of private Indian merchandize depended upon their holding forth such reasonable terms as the public might approve. Schedules of rates, as before stated, were promulgated by the Company, which have been varied from time to time to meet existing circumstances. The periods for sales, &c. have been arranged with the concurrence of importers and buyers. These regulations are understood to be very satisfactory to the public at large, insomuch that many importers of Indian merchandize who choose to deposit their goods in the public docks, still desire to obtain the advantage of the Company's system and management, and place the goods under the Company's control as if they were in the Company's warehouses. The resort to the Company's warehouses and sales is entirely optional on the part of the importers of India merchandize, who are at full liberty to house their goods where they please, and to sell them as they please, except Indian piece-goods intended for home consumption (6 Geo. 3, c. 4). The comparative despatch and economy in landing and selling goods at Liverpool and in London, I am not able to speak to. It is for the interest of all dock companies to unload the ships as quick as they can.

1171. Is not the sale of private goods entirely governed by the wishes and convenience of the proprietors and consignees?—Entirely so.

1172. Are not the sales of East India goods conducted at Liverpool by private individuals with as great despatch and economy as they are in London by the East India Company?—I see no reason why it should not be so.

Mercurii, 14^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

William Simons, Esquire, called in; and further Examined.

1173. CAN you account for the increase which appears to have taken place in the commercial establishments in Bengal, on comparing the year 1816–17 with the year 1826–27; has there been a larger amount of commercial business done in Bengal at the latter period than there was in the former?—The Account in p. 672, shows there was a less number of factories in 1826–27 than in 1816–17; but that the expense of the European establishments in 1826–27 exceeded that of the former period by rather more than a lac of rupees; this was occasioned in part by the moiety (48,000 rupees) of the expenses of the board of trade, which in 1816–17 was borne by the territorial branch having, in the latter period, been

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transferred to the commercial branch ; and further, by the commission accruing in 1826-27, to the commercial residents chiefly at the silk factories, upon an enlarged investment of that article. But if the Committee will be pleased to refer to p. 680, a reduction of nearly two lacs of rupees will be found to have taken place in 1826-27, under the head of " Establishments connected with the Commercial Department in Bengal."

1174. Do you know what are the duties of the several officers mentioned in page 672, of the Report of the Committee of the House of Commons in 1831?—No further than as they are described by the names of their offices.

1175. Can you state how much of those establishments could be dispensed with, if the purchase of indigo and the manufacture of silk and saltpetre were abandoned by the Company?—If the purchasing indigo at Calcutta were discontinued, and the provision of raw silk and saltpetre at the factories relinquished, the functions of the controlling board at Calcutta, and its establishment, would have ceased.

1176. Are you sufficiently acquainted with the detail of the business in India, as to state whether any of those various offices described in the account referred to might be dispensed with if the business goes on on its present scale?—The commercial establishments at Bengal have been very lately under revision, and no reduction in the offices was seen necessary except the import warehouse ; but the salaries have been reduced. I beg to refer to the statement which I have before presented to the Committee.

1177. Does the establishment of buying and warehouses, in No. 35, in page 684, fall under your department?—Yes.

1178. Is that the whole which falls under your department?—That is the whole of my department in the India House, but I am also the chief clerk for the warehouse department.

1179. Have you anything to do with the East India wharf?—Yes.

1180. State which of the offices described in this Paper are under your department?—The office of the committee of buying and warehouses is my particular station ; the auctioneer is under me ; the East India wharf is jointly under the committee of shipping and the committee of warehouses ; the tea warehouses are under my department ; the Bengal warehouse is under my department, the coast warehouse has been united with the Bengal warehouse ; the private trade warehouse, the assistant private trade warehouse, the pepper and saltpetre warehouse, the baggage warehouse, the military store warehouse in part, the office of clerk to the committee of house, is in me, and has merged into my office, the salary which attached has been discontinued.

1181. Can you account for the increase which appears to have taken place in the first of those offices, the office of buying and warehouses ; it appears that the charge for that office has increased from 7,941*l.* to 9,553*l.* a year, notwithstanding that in the period the commercial export trade was relinquished?—The clerks' salaries increase according to a scale of service ; the account under consideration was prepared by the Company's accountant, and I am unable to explain the particulars.

1182. Is the coast warehouse department done away with?—I have stated that it has been joined with the Bengal warehouse.

1183. Can you detail all the particular duties of all the officers of these departments?—I, as the principal of the department, have to originate the business, and to see that it is duly performed, and that the officers and clerks obey my instructions in preparing papers, and in the general business of the department, which is very miscellaneous.

1184. The expense of the private trade warehouse appears to have increased during the same period, from 2,621*l.* to 3,795*l.*, in what manner do you account for that increase?—I presume the increase is the effect of the salary regulations.

1185. Is that in reality the cause, or do you merely conjecture that it is?—I only presume that it will account for the increase ; the accountant who made this account has alone the documents to explain it.

1186. Does the nature of the duties of the commercial agents employed in India come under your cognizance?—There are no agents remaining but the silk agents, and the agents for cotton and saltpetre.

1187. Are you acquainted with the duties they have to perform?—An order is sent out by the Court annually for the quantity of raw silk or other goods to be provided in the ensuing year.

1188. What description of agents are selected for that purpose, are they men
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who have experience in commercial business, or how are they chosen?—They are selected by the Governor-general in Council.

1189. From what description of persons are they chosen?—From the civil service.

1190. They have all been in the regular service of the Company?—They are all covenanted servants of the Company, who have proceeded to India as writers.

1191. Are they persons who have experience in commercial matters?—They are selected by the Governor-general, and I must presume are fit persons.

1192. What is the mode in which they are compensated?—They have, until lately, been compensated by a monthly salary, and a commission upon the goods they provide; but within the last year this mode has been changed, and the commercial residents are now paid by fixed salaries only. The Schedule is before the Committee.

1193. Hitherto, except during the last year, they were paid a commission upon the gross amount of the purchases?—Yes.

1194. Have they not an interest then in purchasing at the highest price, in order to increase their commission?—I have no right to suppose they have been influenced by such motive; but if such a disposition had existed, it would have been checked by the inability of the commercial agent to make good engagements to a larger amount than had been allotted to his factory, without subjecting himself to reprehension.

1195. Did the agents confine themselves to the sums apportioned to them?—Previous to the year 1801, it seems occasionally to have been a practice with some of the residents to enter into engagements in excess of the authority they had received; but in that year the Marquis Wellesley directed the board of trade to issue a circular order, forbidding the commercial residents upon any account to receive goods tendered as surplus deliveries, without express permission for that purpose. Another check upon such practice would be found in the Court's Regulation of 1814, which limited the total amount of the commission and salary to a sum not exceeding current rupees 40,000, and that the surplus be carried to the credit of the Company, with a proviso, however, that if an unusually large investment should be ordered at any particular factory, and the resident should have conducted himself with zeal and ability, the Governor-general in Council might pay him a portion of the surplus commission, not exceeding one-half thereof.

1196. In fact it was found that they did not rigidly observe their instructions not to lay out more than a certain sum each?—It had been found there was a tendency to enter into engagements for more than was allotted to them, which the order of 1801 was intended to prevent; as was in part the intention of the order of the Court of Directors of 1814, with a further intention of preventing the commercial agents from drawing larger emoluments, under any circumstances, than was consistent with a measured liberality.

1197. Did they find security for their good behaviour?—No; they were covenanted servants of the Company, in the regular line of the service.

1198. What sort of control did the board of trade exercise over them?—A constant superintendence; the commercial servants regularly report all their proceedings to the board of trade.

1199. Then in that case if a commercial agent exceeded his instructions in the amount he laid out in the purchase of goods, it would be the board of trade, and not the agent who would be in fault?—He would be subject to reproof, and would gain nothing by it; the surplus commission would in such case not be allowed.

1200. Is the limitation placed on the sum which an agent might lay out on a particular commodity, a sufficient check against his increasing the price, and lessening the quantity he was ordered to purchase, and thus act to the prejudice of his employer?—Such a person would be an unworthy servant: but the price to be paid for the silk is always confirmed by the board of trade; every transaction is subject to their approval.

1201. Do you know how the board of trade determine the prices to be given for silk?—According to their own judgment, formed upon the general information they obtained from the silk residents.

1202. Do you prepare the commercial letters?—Yes.

1203. What documents will show how many of the commercial officers have in any one year exceeded their instructions, in having given higher prices,

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or made larger purchases than they were directed?—I am not aware that higher prices have been given than sanctioned by the board of trade; the silk is inspected at the export warehouse at Calcutta, and commission would be withheld if it were not of proper quality.

1204. Will it appear from any correspondence, or is there any account kept, of the officers who have either given higher prices, or have made larger purchases than they were directed, and in what degree they have exceeded their instructions?—I am not aware of more than one instance in which the having provided goods in excess of quantity has been the subject of particular investigation; this was the instance of a resident who in 1813–14 provided a large surplus quantity of silk, and of inferior quality.

1205. Is the number of officers considerable, who in any year have gone beyond their instructions?—I can only recollect the above instance of excess in quantity. In 1826–27 the resident who provided cotton was accused of paying undue prices, and an investigation took place; the resident died before its conclusion, and his memory was absolved from all imputation of intentional error; but his native officers were convicted of fraud, and the head person was sentenced to five years imprisonment.

1206. Do you remember whether such occurrences have frequently been made matter of observation in your department?—I only remember the above instances.

1207. What is the highest emolument which any one of the commercial residents has received in the course of a year?—The highest, I think, did not exceed 7,000*l.* a year.

1208. At what place did that happen?—That was at Etaya and Calpee, a cotton factory; and the emoluments of the resident at Cossimbazar have been considerable; but I am not able to state more particularly without reference to the records.

1209. Do you know the amount Mr. Bayley, the commercial resident at Benares, was in the annual receipt of?—He was opium agent, and also commercial resident.

1210. Do you know the amount of the annual allowance he received?—No; it arose chiefly in the opium department.

1211. Do you know that it amounted to 6,000*l.* a year?—I am unable to speak exactly on that point; but I believe it did amount to that sum, or more.

1212. Is this a greater amount than any of the highest political or civil officers were in the receipt of?—I apprehend it is as high, except the residents at the native courts.

1213. Are the accounts of the commercial residents closely scrutinized in your department?—Not in my department.

1214. So that the buying department at the India-House does not exercise any very rigid scrutiny into the accounts of the commercial department in India?—The orders sent by the Court are presumed to be obeyed, and it is the duty of the board of trade to see that they are so. My duty does not extend to the examination of the accounts.

1215. Are all the letters in the commercial finance department regularly answered?—The commercial finance is not in my department.

1216. In whose department is it?—In the committee of correspondence.

1217. You prepare the commercial despatches, do you not?—Yes, generally.

1218. Are the orders which you send out in the commercial despatches regularly replied to by the board of trade in India?—By the Governor-general.

1219. If the board of trade sends inquiries, and asks for orders from home, in what department are they answered?—The board of trade do not correspond with the Court; they correspond with the Governor-general, who communicates with the Court.

1220. What office at home is it that audits the accounts of the commercial agents, and of the board of trade in India?—The audit of the commercial accounts, in the proper sense of the word, is conducted in India by the officer called commercial accountant and auditor: the examination of the books of accounts in this country is of the nature of a revisal, similar to that which is passed upon the territorial accounts.

1221. There is in fact, then, no rigid examiner at home of the commercial accounts of the Company's agents abroad?—No further than what I have now stated.

1222. Then in ascertaining the prime cost of the silk purchased at any particular factory, you merely look to that charge in the general account?—Yes; but the

the invoices of the respective ships which bring the silk show the cost of it, certified by the board of trade.

1223. Are not all particular occurrences in the silk or other commercial departments reported by the board of trade to the Governor-general in Council, and by them to the Court of Directors?—Any points deemed of sufficient importance would be so reported.

1224. Any abuse, or any departure from the general course of proceeding?—Yes, certainly.

1225. Does any board ever exercise that rigid scrutiny into the accounts of the commercial departments in India, which you think a private merchant would do if he employed private agents to transact his business in India?—The board of trade are the functionaries to conclude and put a fiat on the commercial transactions, and, as I before stated, are in constant correspondence with the residents at the factories, and if absolutely required, a member proceeds to give his personal supervision at a factory.

1226. Can you state what are the constituent parts of the prime cost of a bale of silk?—I believe it will appear in the Statement, in p. 658, of the House of Commons Papers, printed 11th October 1831.

1227. How much goes to the cultivator, and how much for management?—The Company's Bengal raw silk is provided by advances of cash made from the factory to a class of native agents called pykars, who in their turn make advances to the cultivators of mulberry and the rearers of silkworms; each of the Company's factories employs numerous pykars, who give security for the money advanced to them; the pykars deliver the cocoons into the storehouses of the factories, where they are reeled into silk by native workmen, hired and paid by the factory. A settlement is made with the pykars for each bund respectively, but it does not take place until all the cocoons of the bund have been wound into silk, and when that is completed the resident proposes such price to be paid to the pykar as he judges reasonable, having given due consideration to the productiveness or otherwise of the season, and all circumstances attending the provision of silk: this price is reported to the board of trade for their approval. This course supposes that each commercial resident fixes the price for his own particular factory, without reference to what may be paid by the other residents for silk of the same bunds; but in 1827 the board of trade divided the silk districts into circles, and resolved that one rate of price only should be allowed at all the factories in each circle. But in March 1831, the board of trade re-considered the system for providing raw silk, and came to a resolution to discontinue the practice of settling with the pykars after the silk was wound off, and resolved to fix and promulgate the price which the Company would pay before the bund commenced; the result of this measure cannot yet be known in England. The Court have no certain information of the prices the pykars pay to the rearers of silkworms. The above is the general system. In some instances the residents obtain cocoons directly from the rearers, without the intervention of the pykar; and occasionally buy silk under contracts.

1228. There is a price paid for a certain quantity?—The price is calculated upon the quantity of silk which the cocoons produce; and depends upon the favourableness or otherwise of the bund.

1229. Are the books of correspondence of the board of trade in India regularly sent home to the Court for examination?—The proceedings of the board of trade are sent home for the Court's information.

1230. Where does the correspondence between the board of trade and the commercial agents appear?—It is recorded on the proceedings of the board of trade, who hold their meetings two or three days in each week.

1231. All the correspondence carried on under the immediate direction of the board of trade appears there?—Yes.

1232. Do you mean that the particulars respecting all the details in India are sent home to the Court?—Yes.

1233. Who reads them when they come home?—It is the business of the officers and clerks in the several departments to make themselves acquainted with them.

1234. Do you suppose that they are all read by any one?—Yes.

1235. Can you give the produce in any given year at each factory?—Yes.

1236. Do you not believe that the business of dyeing long ells in London would have been done much cheaper if a contract had been made for the whole with any

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large house willing to undertake it, instead of dividing it into six-and-thirty different portions?—If it had been performed by contract with one or two houses, there can be no doubt it would have been done cheaper.

1237. How much per cent. cheaper do you apprehend it might have been done?—That is matter of opinion; I cannot pretend to give any opinion upon that point.

1238. Why was not such an altered system of dyeing adopted by the Company if you think it would have been cheaper?—I am not able to say.

1239. What do you believe to have been the reason?—The former system, which had been long in practice, went on year after year, and it was not so apparent that a saving could be made; the dyers always said that it could not, and they complained that they were not paid sufficiently; all the principal woollen dye-houses in London were employed by the Company.

1240. Are they now dyed in London, or in the West of England, or Yorkshire?—The long ells are still dyed in London; the broad cloth is dyed in the country, being bought in a finished state.

1241. Why in London?—Because no dyer has offered to dye the long ells in the country.

1242. Have any means been taken by public advertisement or otherwise to ascertain whether there were not persons in the country who would contract for dyeing them?—No.

1243. No attempt has been made by public advertisement to obtain tenders?—No; I have intimated to the factors myself that the Company would have no objection to purchase the long ells as they do the broad cloths, but they have considered that it was not practicable, because there are not dyers in the West of England who would undertake it.

1244. Are not the long ells sent up undyed to London?—Yes.

1245. Do you not believe that if tenders were invited for dyeing the whole quantity, there would be numerous offers to undertake it?—The manufacturers seem so completely separated from the dyers, that I do not apprehend there would. I am certain there is no objection on the part of the Company to buy the long ells in like manner as the broad cloths.

1246. In what manner is the order for dyeing now given?—A printed circular is sent to the London dyers, to say that the Company are desirous of receiving tenders for dyeing so many thousand long ells, in such and such times, and the order is given to the lowest tender, under security.

1247. Would it not be a better plan to contract for long ells ready dyed?—I beg to refer to my former answer.

1248. It is only to the London dyers that those circulars are now sent?—Just so.

1249. Have any houses been willing to contract for the whole, or is it still divided among several?—One house took the whole one year; the whole number for the year is not put out at once; fifty or sixty thousand, and then fifty or sixty thousand more.

1250. Is it customary for you to send to all the dyers whose names are known in London, or only to those who formerly dyed for the Company?—To every dyer in London.

1251. In what manner do you ascertain which of the houses are likely to tender?—We know their names.

1252. You probably cannot recollect what number of dyers you are in the habit of sending circulars to?—I do not remember the number, nor is it very great, but it is to every one who is likely to attend to them, and has any means of dyeing the goods; the circular is made as general and as public as it can possibly be; it is printed, and anybody may have it.

1253. You stated the other day that the export of long ells had considerably diminished?—It has been reduced, but not within the last 18 or 20 years.

1254. Is it the intention of the Company to discontinue it altogether, in consequence of its continuing to be a losing trade?—Long ells have now become a profitable trade, owing to the great fall in the price of wool.

1255. When did the change from loss to profit take place?—A change from loss to profit took place in the China season of 1829-30, and in 1830-31; there had occasionally been a profit before, but it was greatly overborne by the loss.

1256. Have the Company received any intimation from China that they are undersold in that market by the competition of other traders?—Not in long ells.

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1257. Have they received such information respecting any other articles of British manufacture?—I am not aware that the Company are undersold in any article; but they cannot compete with the private traders in camlets, which are smuggled into Canton.

1258. Where are the Camlets made?—At Norwich.

1259. Do you mean to say that the long ells are not prohibited, and that camlets are?—The camlets are not prohibited; nothing is prohibited in China except opium; but the duty on camlets is so great that they are smuggled in. The duty in China is equal to the cost price in England.

1260. How is it that the Americans do not purchase long ells in this country, and smuggle them?—Because there is no inducement to do so, the duties on long ells are more moderate.

1261. The Americans have not been purchasers of long ells in this market?—Not to any extent; they were not profitable.

1262. But they are purchasers of camlets in it?—Yes.

1263. Camlets are made in Yorkshire as well as in Norwich, are they not?—Yes, they are.

1264. Has the Company ever purchased camlets in Yorkshire?—Yes, the Company purchase their camlets by a circular letter, which is sent to the Yorkshire manufacturers as well as to Norwich, and it has occasionally happened that a Yorkshire house has had an order, but only occasionally; they are not so expert at that kind of manufacture in Yorkshire as they are at Norwich.

1265. Are you aware that the Americans are in the habit of purchasing camlets to a considerable extent in Yorkshire?—I do not know where they purchase them.

1266. You think that the advantage which the Americans have over the Company in camlets is solely occasioned by their smuggling them into China?—Perhaps I have no right to say that it is so, because I cannot prove it; but it is very notorious that it is the case.

1267. Broad cloths have been a profitable article of export?—Yes.

1268. Do you purchase broad cloths in Yorkshire as well as in the West of England?—Yes, largely.

1269. Do you invite tenders by circulars in the same way as in camlets?—Yes, by printed circular letters.

1270. Do you send them to all the persons whose names you know, or only to those who apply to you for them?—To everybody who we think will pay the postage of the letters.

1271. Have not the Americans been in the habit of purchasing broad cloths in this market?—All which are rejected by the Company are purchased by the agents for the Americans; this is quite an admitted system.

1272. Do you mean that the Americans only purchase goods that have been rejected by the Company?—No, they have some made also; and I understand they are having some made now rather of a better kind than the Company's.

1273. Have the Company been in the habit of exporting other goods to China, cotton goods for example?—Yes.

1274. To any considerable extent?—Yes, British calicoes, but only of late years, and cotton twist. I was directed to prepare an account of the twist, which I have done.

[The same was delivered in, and read, as follows:]

13th March 1832.

PROFIT and LOSS upon COTTON TWIST Exported to China by the East India Company.

London, Season 1827-28.

31,500 lbs. Water Twist - - Nos. 8 to 40.

58,500 lbs. Mule Twist - - Nos. 40 to 140.

90,000 lbs. Twist	- -	Cost and Charges	- - - -	£.	s.	d.
				11,752	5	4

Sold in China at 34 dollars per pecul	- -	-	5,508	-	-
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Loss	- - -	£.	6,254	5	4
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William Simons,
Esq.

14 March 1832.

London, Season 1828-29.

300,000 lbs. Water Twist, No. 20	- -	Cost and Charges	-	£. 17,628	8	11
Sold in China at 35 dollars per pecul	-	-	-	18,900	-	-
Profit				£. 1,271	11	1

London, Season 1829-30.

300,000 lbs. Water Twist, Nos. 16 to 24	- -	Cost and Charges	-	£. 17,912	7	3
Sold in China at 36 dollars per pecul	-	-	-	19,440	-	-
Profit				£. 1,527	12	9

London, Season 1830-31.

240,000 lbs. Mule Twist	- -	Nos. 32 to 100.				
240,000 lbs. Water Twist	- -	Nos. 24 to 40.				
480,000 lbs. Twist	- -	Cost and Charges	- - -	£. 38,323	12	3

Sale in China not yet known.

London, Season 1831-32.

120,000 lbs. Mule Twist	- -	Nos. 32 to 100.				
120,000 lbs. Water Twist	- -	Nos. 24 to 40.				
240,000 lbs. Twist provided for exportation.						

1275. The Company continue to import from India silk bandannas?—Yes.

1276. Has their import of that article decreased much lately?—It has rather increased, but not materially; they come at a remittance of about 1 s. 11 d. the rupee.

1277. Has not it been a losing trade?—I think the remittance is 1 s. 11 d.

1278. Who makes the communication to ascertain what trade is profitable, and what is not?—That relates to my department.

1279. Do you add interest to the money employed?—Interest is not added.

1280. Do the private traders bring bandannas as well as the Company?—The quantity of bandannas brought in private trade considerably exceeds the imports by the Company.

Veneris, 16^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

John Horsley Palmer, Esq., called in; and Examined.

J. Horsley Palmer,
Esq.

16 March 1832.

1281. MR. PALMER, you are Governor of the Bank of England, and partner in the East India House of Palmers, Mackillop and Company?—Yes.

1282. Will you be so good as to state whether, in your opinion, it is necessary for the East India Company to carry on trade in order to make their financial remittances to this country?—I should think the financial remittances to this country might be made with perfect facility, without the necessary consequence of the Company carrying on trade to the extent to which I understand it to exist.

1283. Do you consider that there would be a facility of remittance from India or through China to the amount of three millions and a half sterling, and if so, will you have the goodness to state the mode in which you think that might be done?—I should think that three millions and a half sterling might be remitted without difficulty.

difficulty from China and India together; and the mode in which I would submit that should be done would be with reference to bullion and the general exports. The trade itself will furnish a value of three millions and a half sterling as at present existing; and provided bills of exchange secured upon that trade were tendered to the Company at the bullion price, I see no reason why those goods should not be deposited in the possession of the Company until the bills were paid. The invoice value of the goods upon which I found that opinion are three millions and a half, or nearly so, from Bengal, and two millions from China.

1284. What, in your opinion, would be the average exchange at which such remittances could be effected in that matter?—I think they ought to be effected at the bullion price, which would be from 1*s.* 11 $\frac{1}{2}$ *d.* to 2*s.* per sicca rupee.

1285. Do you not also think it necessary to make allowance for the interest in the interval between the money being advanced in one country and the repayment being made in the other?—Distinctly not. All exchange operations in bills have reference to the actual produce of the remittance in bullion in the country to which those remittances are sent.

1286. Can you state any conclusions which you may have formed with respect to the value of the Sycee silver as compared with the sicca rupee, and of the rupee in sterling?—It so happens that we have very lately, within the last six weeks, received a remittance from Bengal in both those species of bullion, one was Sycee silver, and the other was the Bengal sicca rupee; and if the Committee will allow me, I will state precisely the out-turn of those two remittances. The Sycee silver is found to have, upon an average, about 12 grains of gold in a pound of silver, troy-weight. The Sycee silver was sold in this market at 4*s.* 11 *d.* seven-eighths per ounce British standard, including eight grains of gold.

1287. What do you mean by including eight grains of gold?—Because the buyers take no cognizance of any quantity not exceeding eight grains.

1288. Then no additional value is given to it unless it has more than eight grains?—No; all above eight grains is paid for in the additional value of the silver, and therefore the silver was virtually sold, containing the 12 grains, at 5*s.* 0 $\frac{1}{2}$ *d.* per ounce.

1289. It contained 12 grains?—Twelve grains.

1290. Now, can you state its fineness?—No, I cannot; I do not know whether the Sycee silver is better or worse.

1291. Do you say that it was sold for 5*s.* 0 $\frac{1}{2}$ *d.* per ounce?—Yes, per ounce standard; reduced to standard; that Sycee silver, containing 12 grains of gold per pound, sold at 5*s.* 0 $\frac{1}{2}$ *d.* per ounce standard silver, gave an exchange of 1*s.* 11 *d.* five-eighths per sicca rupee, calculated against a bill at six months' sight.

1292. Will you explain those words, "calculated against a bill at six months' sight;" was interest taken off the proceeds for the period of six months, at five per cent.?—I think it was five per cent.

1293. So that that makes it equivalent to a bullion remittance?—Yes.

1294. Upon the general run of remittances from India, comparing bullion with bills, and supposing bills to come to you at six months' sight, what per-centage should you think fair to charge for the average risk upon bad bills on a merchant?—I should prefer a bill at the same rate, and would give no premium for bullion. Every person who takes a bill of exchange believes it to be good; and if he does not believe it to be as good as bullion he will not take it. If I have the opportunity of taking a bill at the same rate of exchange which bullion would give, I would take the bill of exchange in preference to a remittance in bullion, from the security of the payment of the bill by the triplicate copies.

1295. Have not you the same security as to the certainty of specie remittances by the practice of either insuring in London, or of making insurances in Bengal payable in London?—You have, certainly; but still there is always a certain degree of risk in the recovery of a policy; independent of the security of the person who has to pay, there are always legal questions to which the holder of a policy is liable, which would induce me to give the preference to a bill.

1296. What should you consider to be the charge per sicca rupee for the expense in bringing the bullion from India to London?—There are various charges.

1297. Can you state the rate of insurance now?—I think two per cent., and the freight a half per cent.

1298. Then 1*s.* 11 *d.* and five-eighths per rupee, you state to be the net return, after the expense of bringing the bullion to England has been deducted?—Yes.

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108 MINUTES OF EVIDENCE BEFORE SELECT COMMITTEE

1299. In that you have taken the weight of the Sycee silver, containing the same weight of fine silver as if it had been a sicca rupee?—It is always turned into British standard.

1300. That is, you mean, supposing a sicca rupee and not Sycee silver to have been sent from India, it would have realized to you 1*s.* 11*d.* and five-eighths?—Not a sicca rupee; I am speaking merely of Sycee silver.

1301. But then you ought to tell us, with a rupee how much silver you bought in India, otherwise it gives us no criterion?—The Sycee silver cost in Calcutta 96 sicca rupees per 100 sicca weight.

1302. Are you able also to state what is the degree of fineness of the Sycee silver?—The Sycee silver was about eight pennyweights better than English standard.

1303. Are you aware that Sycee varies as to its intrinsic fineness very much in China, and that some buy it in China of a much finer and a much coarser quality?—No; upon my inquiry of the bullion brokers in London, I could not find that to be the case.

1304. What was the date of this transaction?—I think it is about six weeks ago.

1305. You have stated the quantity of gold that was in this Sycee silver; can you state what is the general quantity of gold in the Mexican dollar?—I cannot, but I think not more than four grains.

1306. So that the quantity of gold in the Sycee silver is evidently greater than in the Spanish dollar?—Certainly.

1307. Therefore the Sycee silver in China cannot be the Spanish dollar melted down in that country and exported?—Certainly not.

1308. Should you conclude from that, that it must be the silver of the country itself, of the mines of Asia?—Yes.

1309. What is the smallest quantity of gold which you understand it is worth the refiner's while to extract from silver under the improved process with sulphuric acid?—I think it is five grains; I believe four grains pays the expense, and it may be worth the refiner's while to buy it and refine it for that quantity; but it would not be worth the while of other people to do it under six or seven grains. I have stated that the Sycee silver gave at the price stated 1*s.* 11*d.* and five-eighths per sicca rupee; the sicca rupee at the same time, sent as coin from Calcutta, was sold at the same price of 4*s.* 11*d.* and seven-eighths per ounce British standard, and gave an exchange equal to 1*s.* 11½*d.* per sicca rupee.

1310. Was the rupee of full weight?—Fair average weight.

1311. Coined at the Company's mint?—Yes.

1312. Melted down when it was sold, and brought to the same standard, of course?—Yes.

1313. What quantity of gold was there in the sicca rupee do you suppose?—Nothing worth extracting; I think it was about four grains.

1314. Talking of the par of exchange of a sicca rupee, you are of course aware it must depend in London on the market price of silver?—Yes; that which was sold six weeks ago at 4*s.* 11*d.* and seven-eighths per ounce, would not now sell for more than somewhere about 4*s.* 11*d.* and one-eighth; but that is under the circumstance of an unusual high exchange with Paris.

1315. Which at present exists?—Yes.

1316. Then it has fallen within six weeks?—Yes, the market price of silver.

1317. Have you any reason to expect in future a larger import of silver bullion from India than heretofore?—I should say certainly, in the present state of the exchange in India, particularly in Calcutta.

1318. Are there any peculiar circumstances that are likely to lead to an extension of the import of bullion into this country from India, that have come to your knowledge?—No, otherwise than by the reference to manufactured goods sent out, which have been remitted within the last 10 or 12 months at from 1*s.* 10½*d.* to a half-penny per sicca rupee by bills at six months' sight, the consequence of which has been, that orders have been transmitted from England to remit rupees or other silver bullion from India to England, which it is proved will give 1*s.* 11½*d.* per rupee, and upwards.

1319. Has there been any order sent also to China to the same effect, to your knowledge?—I believe that the remittance from China will be so small for proceeds of manufactures sent from this country, that it will hardly attract notice.

1320. Are there any silver mines worked in the Indian peninsula?—Not that I am aware of; I do not know.

1321. You

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1321. You conclude, that the sicca rupee is coined of Spanish American silver?—I do not know; I cannot answer that question; that information must be derived from the Calcutta mint.

1322. If you employ a refiner to extract the gold on the account of the owner of the silver, what per-centage does he charge for making the separation?—There is a great deal of discussion going forward upon that question at the present moment, and therefore I cannot answer the question correctly. I think the quantity used to be about five grains.

1323. But they deducted the value of five grains?—Upon reference, I find that the refiners took three-fifths of eight grains, and gave the proprietor of the silver two-fifths, and all above eight grains; that was the proportion; but there is, as I have already said, a negociation now in progress which may alter that proportion.

1324. Do you know that there has been heretofore any prejudice existing in the trade against the remittance of bullion to this country?—Certainly on the part of the Indian merchants.

1325. Do you consider that is still the case?—Yes, I consider an attempt has been made by the Indian merchants to retain the bullion in India, which it is quite impossible for them to do.

1326. Under what idea do you consider they have been anxious so to retain it?—From the scarcity of money that would ensue from the exportation of the metal.

1327. Does not the same prejudice obtain in all parts of the world among merchants, that the exportation of bullion from the country, and more especially of the coin of the country, has an immediate tendency to diminish the quantity of money in the market, and thereby to affect the prices of commodities, and produce what is called commercial distress?—Certainly; the knowledge that that will be the result is beyond dispute. But the question in India has been of a different character; there has been (perhaps the word prejudice was not a proper word to use) an idea in the minds of the native merchants, that they could by their own act retain the bullion in the country, and regulate the remittance by arbitrarily fixing their own rate of exchange.

1328. Although you entertain no doubt that any effort unnaturally to retain the bullion would be ineffectual, you do not entertain a doubt that the exportation of the bullion, and more especially of the current coin, has the effect of producing an immediate scarcity of money?—Distinctly so.

1329. Do you conceive that if the gold coin of this country could be introduced generally in India, that that measure would have a tendency to facilitate the operations of trade in any way?—No; I do not see in what way commerce would be promoted by our coin; it is quite immaterial what the coin is when the fineness is once known.

1330. You are aware that there are various descriptions of currency in India?—Still they all have their respective values.

1331. Do you consider that answer equally applicable to the gold as to the silver?—I apprehend that gold neither does nor will circulate to any extent as current coin in India, where silver forms the actual currency, and is a legal tender.

1332. Might not the effect of introducing, if it were possible, a gold currency in India, have an effect to raise the market value of gold all over the world, by introducing a large and extensive new application of it?—It might have the effect; but I should be directly opposed to an opinion of the propriety of introducing gold into India as the current coin of the realm.

1333. Are you not of opinion that between two countries like England and India, having very extensive and intimate commercial intercourse, that as far as that intercourse is concerned, there would be an advantage in having the legal standard in the same metal?—Certainly; and I think it would be much more beneficial for the world at large, that the same metal should universally prevail as the legal tender.

1334. Should you apprehend that any material inconvenience would necessarily arise to the circulation and currency of this country, supposing it at any time to become necessary to effect any considerable operation here in Indian finance, such for example as the transfer of any portion of Indian debt to this country, or the raising of a loan for the service of India?—Not if it is done with due regard to the existing circumstances at the time. The expenditure of India in this country is stated to be about three millions a year; therefore so far as regards those three millions, there would be no difficulty in raising a loan to that extent, paying off

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the Indian debt to the same amount by the revenue of India. An arrangement of that kind would, I conceive, be the least objectionable mode of transferring any portion of Indian debt to this country.

1335. But such an operation would not at all affect the difficulty, if difficulty there be, in the means of India to remit the three millions, or whatever sum India may have to remit to Europe, excepting in as far as the interest of the debt, by being borrowed in England, may be at a lower rate than the debt in India?—Certainly; there is no other advantage.

1336. Besides the two methods that you have mentioned of making remittances from India to England, namely, those of sending bullion, or of making advances in India upon the security of cargoes shipped by private merchants; would there not be a third, namely, that of the India Company drawing bills in England upon its Indian treasuries, and disposing of those bills in England to merchants?—The answer to the question of the Company drawing bills on India, would depend a good deal upon the state of their own imports from India and China to this country; if they are not importers themselves of produce, then I apprehend that a certain portion, and perhaps a considerable portion, might be obtained by their own bills on the treasuries of India.

1337. Supposing the India Company to give up trading both with India and with China, would not such a mode of remittance afford great accommodation to the private merchant carrying on those trades?—To a certain extent, I think it would; especially so far as may relate to the European and foreign capital embarked in the Indian and China trade.

1338. Would it not interfere with the exports from this country?—No.

1339. If you take bills payable in India or China, will there be as much exported from this country as there would be without that?—I think so, upon this ground, that the export trade to India and China does not seem to admit of much increase so long as we are receiving from India and China the sum required for the territorial purposes, which is brought in trade; if the Company are not the traders, other persons will, for their own profit, bring that supply which the demand requires.

1340. But is it not your opinion that India would bear a much larger export from this country than now takes place, if returns could be found for that which is sent from this country?—I do not know what articles of export from this country India could take more than are now sent.

1341. Is at present any considerable portion of the exchange business between England and India carried on by drafts in London?—I believe not to any considerable extent.

1342. Is it not in the nature of a trade with a distant country for the exchange operations to originate in the distant country, and not in London?—To a considerable extent.

1343. And more especially when the operations are mostly for the account of that distant country?—Yes.

1344. Are you aware that, in nearly all our commercial transactions with distant countries, with India, with America, and even with Russia, the exchange operations almost wholly originate in those countries, and that bills are seldom drawn from England upon them?—I think that it must be known to those persons engaged largely in trade, that very extensive credits have been taken from London prior to the parties leaving Europe for distant markets, which answer nearly the same purpose as taking bills from England.

1345. Is not that mode rather the means of carrying on the other operations of drawing from the distant country itself?—The Company are supposed to abandon trade, and still to have a large fund to bring from India to England; now, the consequence of the measures originating in India, and the parties not taking any quantities of money or bills from hence, would be throwing an excessive amount of bills into the market of India, which might so raise the exchange as to force bullion from this market for the purpose of meeting those bills in the event of their not being readily taken out of the market for the Company's remittances to Europe.

1346. Do you not think that if the Company were to abandon their trade with India and China, and that they were to be constantly offering bills drawn on their Indian treasuries for sale in this country, that that would probably give rise to houses established for the very purpose of negotiating such bills, and negotiating such bills with a view to facilitate the mercantile transactions of other houses?—I can only reply by stating, that I still believe a considerable portion of bills

could

could be negotiated in this country in that state of the trade which has been supposed.

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1347. Supposing there be any alteration made by which the trade should be transferred from the hands of the Company to individuals, the amount of trade being the same, there must always be the same means of remittance into whosoever hands it may fall?—Certainly.

1348. Although the means of remittance might be the same, should you not apprehend, if the Company were entirely debarred from trading either to India or China, and were left to rely upon remittances by bills from India, or drafts from England on India, the effect of the narrowness of the Indian market and the few houses transacting the business, together with the power they would have from the smallness of their number of combination, and the knowledge of the extent of the wants of the Company, and in many instances of the precise period when those wants occur, would lay the Company too much at the mercy of the combination in their operations?—My original answer was not intended to be confined to the Indian trade, but it was given under the presumption that the Company be debarred from all trade. The imports from China as well as India, about five millions and a half sterling, furnishing the means for making the Company's remittances, I do not apprehend any effect from combination, presuming the Company will at all times order bullion to be transmitted, if bills are not procurable at the bullion rate.

1349. Do you not suppose that the number of houses, which are now few at Calcutta, would be considerably augmented if the Company were to cease to export from India?—I entertain considerable doubt whether any great increase would take place.

1350. How many houses are there in Calcutta whose bills the Company might be reasonably supposed to take?—I do not believe that the Company will take the bills of any one house in Calcutta without very good security being attached to it.

1351. Is it your opinion, as a merchant connected with India, that the Company could with safety, year after year, take so large a sum as they would require of the houses established in Calcutta without collateral security?—I think they ought not to do it.

1352. If in your opinion it would be necessary in many cases to take collateral security, would it not in fairness, and to prevent reflections upon individual credit, become necessary to make it a general rule that in all cases there should be security?—Certainly.

1353. Could you state how many respectable houses there are in Calcutta?—I cannot answer that question; there have been several respectable houses established since the renewal of the charter.

1354. Do you apprehend that there would be any difficulty in the Company taking security with the bills they might take from these houses?—I apprehend not.

1355. Now, if the advances made by the Company upon bills drawn upon England were secured upon the bills of lading of the cargoes, and the Company were allowed to charge the insurance upon the cargoes, and to insure, would it be necessary that the Company should be very nice in its selection of the houses to which it made advances?—I think it is necessary that all mercantile transactions should be with houses of credit.

1356. But would not the circumstance of the bills being secured by the bills of lading on the cargoes make it much less necessary for the Company to be extremely nice in its selection?—I still think it would be necessary that the Company should act with houses of credit, otherwise they would have imposed upon them the duty of examining more nicely than might be convenient the quality of the goods that were so shipped, and the correctness of the invoice cost.

1357. Supposing the Company not to advance to the full amount of the value of the article shipped, but to the amount only of two-thirds, would not that lessen the necessity of any rigid examination of the nature of the cargo?—The best answer I can give is with reference to our own individual case as merchants advancing money upon goods shipped from this country: it is the credit of the party with whom we act which guides us in our proceedings, and obviates the necessity of that examination as to the quality and price that would attach to a house of an inferior kind.

1358. You have stated that bills from India are available for the purpose of the territorial remittances by means of a security given on bills of lading; do you conceive

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ceive that bills from China may be made equally available by means of any similar provision?—Certainly.

1359. Have you considered at all how you could effect that security?—I believe the Company have adopted that system in a limited degree from India.

1360. Have you considered how the territorial government of India could avail itself of bills from China with equal security as upon the bills of lading from India?—That would depend a good deal on the nature of the Company's agency in China. If the Company abandon all connection with China and have no servants in Canton, of course there could be no persons to transact their business; but if they retain any part of their agency in China, either for the purpose of remittances or other occasions, then those parties would have the same power of attending to the securities as they have in the different parts of India.

1361. Supposing the commercial character of the Company to cease, do you conceive that the territorial government of India could establish an efficient agency at Canton for the purpose of effecting the remittances through those bills?—I have not given that subject any consideration; but I apprehend there would be no difficulty in making such an arrangement; the extent of the funds realized in China from India produce being very considerable, and which are necessarily to be returned to the different presidencies of India.

1362. And the returns to India are now made to a considerable amount in bullion, are they not?—There is a considerable amount of bullion sent. I have only seen the last two or three years; but a considerable amount of bullion has been sent from China to Bengal and Bombay.

1363. Is not the balance of trade between India and China considerably in favour of India?—Certainly, so far as it is exhibited by the remittance of bullion.

1364. Would not the necessity you mentioned of the Company's attending to the quality of goods which they should take as security, particularly in China, make it necessary for them to look almost as carefully at those goods, and to have nearly the same establishment for the purpose as if they were making purchases on their own account?—I think not, provided the house with which they were dealing were equally respectable with those with whom they would have the power of acting in different parts of India.

1365. Is it in your opinion probable that houses would establish themselves in a place like Canton of sufficient respectability?—I think so.

1366. When these goods arrive in England, supposing them to arrive to the extent and value to make them efficient for the purpose of the Company's remittances, would it not oblige the Company to keep a large establishment of warehouses of some description, and a large establishment for the transaction of business to receive those goods until the bills were either paid, or security for the payment given?—I should think not; I think the Company should retain possession of those goods in the bonded warehouses of London and the outports, and they should never part with them until the bills be paid: but they should afford to the proprietors in the intermediate time every reasonable facility for the sale of the property.

1367. Taking all the circumstances into consideration, is the Committee to understand that it is your opinion that no material difficulty would arise to the Company's getting home, without trading itself, the means of making their payments in Europe?—Distinctly so; I beg to say that that answer is simply as regards the remittances, it is no opinion as to the policy of the Company abandoning any part of their present China trade.

1368. Do you consider that the necessity of realizing in England a large amount for the use of the territory has been a great impediment to the growth of a profitable export trade from this country to India?—I do not believe that it has had any such effect.

1369. When this country is required to make a large expenditure upon the Continent, a more than ordinary expenditure on the Continent, has that any tendency to increase the export trade of this country?—If we export a large amount of the precious metals from hence so as to affect materially the prices of this country, and reduce them below the prices of other countries, it is probable that an export of commodities will take place to bring back the precious metals that have been so exported.

1370. And from the cause that you have stated, is not the effect of making a large continental expenditure generally this; to occasion a large increase at the time of the export of commodities?—A large export of commodities may follow from

from the course I have mentioned, but I am not prepared to answer the question, and say, that such export has been profitable to this country; it may have been so, but I do not feel able to answer the question decidedly.

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1371. But has not that reduction of prices of which you spoke, consequent upon a great foreign expenditure, been materially to increase the export to the Continent of our commodities?—I should imagine it may have increased the export of commodities, but it probably diminished the imports at the same time.

1372. If therefore there was occasion, in case of war in India, for a large extra expenditure, should you not apprehend, that from the very cause that you have stated as applicable to this country, it would lead to an eventual large increase of the export of commodities from India to this country?—Does the question mean that we are furnishing the pecuniary means from England of carrying on this large Indian expenditure. If I understand the question, it is this: whether, in the event of a large pecuniary supply being required from England for the purpose of carrying on a war in India, that would not force a large export of commodities from England.

1373. No, the reverse; whether it would not occasion a large export of commodities from India to England, placing England in the situation of the Continent, and placing India in the situation of this country. The question is, in case of a war requiring a large advance to be made on account of the territory of India in this country, whether that would not occasion a large export of commodities from India to England?—I do not consider the immediate export of commodities from India to be a necessary consequence of the case supposed. If bullion were likely to afford a more favourable remittance than goods, in payment of the supplies required from England, then bullion would be sent. It is probable that the effect of such a transmission of bullion would subsequently increase the exports and diminish the imports of India, from the fall in general prices likely to ensue in that country, and thereby cause a return of bullion to the extent previously exported.

1374. Supposing it was desirable upon general principles, upon the renewal of the Company's charter, to put an end to the Company's trade both with India and China, might it not be useful to leave them the occasional power of making a remittance by goods, not for the purpose of traffic, but for the purpose of occasionally securing their independence in the markets from which they might have to make those remittances?—I see no objection to the power being left, but I imagine that the Company would never use it if they were debarred from trade generally.

1375. What effect has the exercise of that power often had on the price of the commodities in which they made their investment, as upon indigo?—I think it has not been beneficial.

1376. Has it not had the effect of occasioning the most enormous fluctuations in prices of the commodity, when it was known that the Company were in the market?—I think it is always prejudicial in a great body like the Company acting occasionally upon the market in India, by orders transmitted from this country.

1377. Did this country during war find it necessary to make consignments of merchandize for the purpose of meeting its foreign expenditure?—No, I believe not. I certainly do not think it desirable that the Company should continue purchasers of indigo and other principal articles in India, upon the system which has hitherto been pursued, which has had the effect of raising prices considerably, and thus stimulating an extra production, which, from an unfavourable out-turn attendant upon the sales in this country, has been subsequently checked, the extra quantity so produced thereby occasioning a glut in the market of India, and consequently an undue depreciation.

1378. And if the general rule were, that they were to abstain from making investments of merchandize, would not the effect of their suddenly breaking through that rule have a much worse effect in occasioning a great fluctuation of price than if it was their constant practice to be making investments in any article such as indigo?—I am not prepared to say there may not be occasions when the Company might, beneficially to the public, become purchasers, though I think, generally speaking, that their purchases in India have not been of that character.

1379. Is a practice to be justified, if you can show that in particular instances it might have been productive of benefit; is not the best mode of determining the policy of any practice, to look at the general result after a series of years?—I think it is.

1380. You have stated that the exports from India and China amount to five millions and a half?—I believe them to be about that amount.

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1381. Do you remember what the exports from this country to India and China may be?—My information is taken from the year 1828–29; I think in the year 1828–29 they were near three millions sterling to India.

1382. And to China?—And including China, to about 3,700,000*l.* or 3,800,000*l.*

1383. And that leaves what?—That leaves about 2,000,000*l.*; but then you must keep in view that the private merchant acts extensively with the foreigner, and thereby he relieves himself by the foreign trade for that which he would give to the Company as a remittance.

1384. Then if your exports from England were to increase considerably beyond your exports from India to this country, it would throw a difficulty in the way of remittance, would it not?—Except in bullion.

1385. You say that you expect a large exportation of bullion from India to take place?—Yes.

1386. Has India any natural means, except by its trade, of gaining bullion?—No, not that I am aware of.

1387. Then suppose that there is a great demand for bullion upon India, either unexpectedly or quicker than it can supply the deficiency, what will be the effect on the people of India under those circumstances?—Considerable pecuniary distress.

1388. Would not that pecuniary distress at last amount to an impossibility of further remittance?—No; I believe that it would have the effect of lowering the prices of commodities in India; both those sent from England and those produced in India, until an influx of bullion restored the prices to their former level.

1389. Suppose that the people of India at this moment are taxed to the greatest extent they can bear, and that bullion is exported from India to a large extent, so that all commodities are lowered in price, and they are still obliged to pay in the original sum, will not that have a very severe effect upon the community in general?—It would have a corresponding effect to that which would be produced in this country under similar circumstances.

1390. Will not every thing that facilitates the export of articles the produce of India to China or other countries, be the best mode of relieving them from the danger of such an emergency?—Certainly.

1391. Will not facilitating the export trade of opium to China, and in return for such opium the obtaining large returns of bullion, be one of the most effectual means of preventing India from suffering in the manner presumed by the former question?—China can afford no more to part with her bullion to any unreasonable extent than India; bullion is the regulator of every description of trade throughout the world, and it will regulate the Indian trade, though in the course of that regulation the parties carrying on the commerce of India may occasionally sustain considerable inconvenience.

1392. If bullion is demanded from India as a regular mode of making the remittances to this country, in what manner can India obtain that bullion but by exchanging her produce for the precious metal?—I hold it to be quite impossible that any country ever did or ever can permanently export its bullion.

1393. Do you mean by that answer to deny that a country can permanently continue to export bullion, even in the cases where that country regularly exports either its produce or manufactures in order to purchase bullion?—I mean simply that it cannot continue to export more bullion than it receives.

1394. If China obtains a considerable quantity of bullion, either by means of its mines, or in return for the tea that it exports, and if India sends a large quantity of opium, for which it receives in return a large quantity of bullion from China, may not India continue to export to this country a large supply of bullion?—Certainly; because there is no excess or deficiency on either side.

1395. And will not, therefore, every thing that gives facility to India for obtaining bullion in exchange for opium, or any other of its produce, tend to facilitate the territorial remittance which India has constantly to make to this country?—Every thing that tends to facilitate and promote the trade of India must be beneficial to India, and enable that country more readily to meet all its engagements.

1396. Are you aware to what extent the trade in opium has been increased since the year 1826 between India and China?—I really have not attended for the last four or five years to the details of trade with India, but I believe that the trade in opium has been very considerably increased.

1397. Are there not some articles of consumption of which the quantity consumed may not always be dependant on the question of price?—Certainly.

1398. May

1398. May not opium be an article of that description?—Probably it is; the importation into China being prohibited, it is smuggled into that country to a very great extent. *J. Horsley Palmer, Esq.*

1399. Now spices are articles of that description, are they not: you do not suppose that persons would use spices in any proportion to the diminution that might take place in their value?—I think certain spices would increase very much in point of consumption by reduction of the prices; pepper is an article which would be likely to increase considerably in consumption. 16 March 1832.

1400. Now for instance, pepper being now at 3*d.* a pound, do you suppose if it were reduced from 3*d.* to 2*d.* it would materially increase the consumption?—It is 3*d.* without duty; it is the duty that prohibits the use of pepper. If it could be sold for home consumption at 3*d.* or 2*d.* a pound, I apprehend a large increased consumption would take place in this country.

1401. Are you aware that the Dutch Company formerly, upon that principle, used to burn their spices, from a conviction that an increase of quantity would produce them no benefit?—That was the notion, certainly.

1402. May not opium, from the nature of the article, and of the impediments put in the way of its sale by the Chinese government, be an article of which the consumption might not increase in proportion to the diminution of price?—The trade of Canton is so peculiar from the character of the government, that there is no article carried to that port which might not be materially impeded in point of consumption.

1403. Are you not aware that opium is an article which becomes so necessary for those who consume it, that when once they begin it they cannot leave it off?—I believe that to be the case.

1404. Without knowing the particular details of the opium trade, are you not aware that since 1826 there has been a very great increase in the consumption of opium, at the same time that the price has fallen?—I do not know that the price has fallen; I believe there has been a great increase in the export from India.

1405. In a country like India, where the people have fixed money payments to make, would not the distress arising from the constant export of bullion take place, before the remedy which you allude to might reinstate the equilibrium of the precious metals?—I think India would sustain a very considerable degree of inconvenience, from their supply being a distant one.

1406. That therefore, taking into consideration the general condition of India, any system which should constantly expose it to an exportation of bullion, must occasion considerable permanent distress in the country?—A constant exportation of bullion I believe cannot take place from any country; the moment the pressure is felt, that moment the commencement of the remedy arises.

1407. The question and answer presumes that there will be a distress arising from the constant exportation of bullion; in that answer, you mean that distress would arise if bullion were exported to such an extent as to diminish the quantity required for the currency of the country, but you do not apprehend that distress would arise if there were constant imports beyond the quantity required for the currency, and a constant export of that same excess?—No.

1408. But does not the distress consequent upon the diminution of the currency precede the remedy?—Certainly.

1409. And therefore must be felt before the remedy can come in play?—Clearly so.

1410. Are you aware when there has been a considerable exportation, that the price of bullion has risen in India when the demand has been considerable?—The demand I rather think has been temporary, and during that temporary demand the price has probably advanced. I am not prepared to speak to the present price without reference.

1411. Would not all difficulties thrown in the way of the export trade of opium, very materially tend to prevent the acquiring by India of any surplus quantity of bullion for the exportation?—If you destroy the export trade from India to the place from whence it receives its bullion, so far you injure the power of India to supply bullion to that part of the world where it is required.

1412. And to that extent you would inflict an injury upon the natives of India?—Certainly, always adverting to a surplus export of bullion.

1413. But does not an export of bullion consequent upon a political payment, differ very much in its effect upon a country from any export arising from a commercial payment, in as far as the commercial payment is apt to cease with the difficulty,

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difficulty, but the political payment is one which must be made without reference to the means of the country making it?—I do not draw the distinction, because a payment made politically in bullion, has the same effect upon the currency of the country as if made commercially, and if continued will so contract the currency of that country as to affect the whole of its prices.

1414. But does not that suppose that that country has some production which other countries must take?—There is hardly a country in the world the productions of which will not find a market at a certain value. If a country is supposed to have no productions, then there is an end of the power of payment. Bullion can only be taken as the medium; the payment must be made by the industry of the country; and I can draw no distinction between the payment such as the Committee alludes to, namely, a political payment by India, or a payment for foreign war by England. If our expenditure on the continent of Europe be thirty millions or fifty millions in the year, it is quite impossible to furnish that in bullion, and therefore by the same reasoning, I maintain it is quite impossible for any other country to continue to furnish politically any payment of bullion that the produce of that country will not re-supply.

1415. Applying the case to a very poor country like Norway, and supposing Norway to have a political payment to make of two millions and a half, would any effort that those people could make, raise anything which the world would take in fulfilment of such a payment?—If Norway has nothing to offer in payment of those continued remittances, there is an end to the existence of Norway as a nation: if she has no productions, the money is tantamount to production as long as it exists; when that is gone, there is an end of her power to pay.

1416. Then would follow an absolute inability to make the payment?—Yes.

1417. Is there not therefore an end to the principle, that there must be the means of making any payment for which there is an obligation, but that it must depend at last upon the ability of the country to produce those means?—No country can pay without the means of paying.

1418. Your theory then is that it is not finite?—My opinion is more practical than theoretical; theoretically, the Committee are right in the mode in which they put the question; but practically speaking, I doubt whether every country which has the power or the credit to incur a debt such as the Committee allude to as being required to be paid, has not within itself the means of payment from its own industry.

1419. In what respect does the tribute which India pays differ from the remittances which Ireland has to make to the resident absentees in this country?—I do not imagine there is any material difference.

1420. And the greater the tribute any country has to pay, whether it be a political payment, or whether it be rents, the greater the necessity, is it not, for giving to that country every facility for disposing of its produce for the purpose of making good such payment?—Certainly.

1421. If this country were to prevent the export of the cattle or the butter to this country from Ireland, would there not be the greatest difficulty to the Irish of making good their payments?—I suppose so.

1422. Upon the same principle, every thing that tends to prevent India from disposing of her opium, must tend to prevent her making good the political payment to this country?—Every thing that tends to check the trade in the productions of India, is certainly prejudicial with reference to its engagements.

1423. The exports from India and China to England being five millions and a half, and the returns from England to India and China three and a half, it would appear that that leaves a surplus of two millions only for territorial remittance to England; but in considering the whole territorial power of remittance, must you not take into account the balance of the trade between Calcutta and Canton?—The power of remittance is intimately connected with the whole trade between foreign countries and India; the balance of the trade with China, so far furnishes the means of remittance in bullion. There are three millions and a half of exports from England to the different presidencies of India, and China; and the returns from thence to England are about five millions and a half, to which is to be added the balance of the foreign trade with India, as part of the means for furnishing the remittance which the Company require.

1424. But then beyond it, do you not conceive that the return in bullion from China to India would be available as a territorial remittance to England?—It facilitates the operation of the whole trade.

1425. And

1425. And must you not take it into account in considering the balance of remittances?—It is taken into account. The trade between India and China is merely one of an internal character (if I may use the expression); the bullion brought back from China, if it be brought back to India, facilitates the remittance of bullion from Bengal to Europe or to England; that is merely part of the general trade of India.

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1426. Supposing the private trader to be admitted to a participation with the Company in the China trade, are you aware of any peculiar disadvantages to which the private trader might remain subject, arising out of the system upon which the Company's trade is carried on?—If the question refers to any supposed inconvenience which the private trader would sustain in the port of Canton connected with the Company, I am not prepared to say he would sustain any inconvenience; but if I were to give an answer upon a more enlarged character, it would be that he is under great delusion as to the real advantage to be derived upon opening the trade with the port of Canton, particularly so far as regards the export trade from England in manufactures, and from other parts of Europe in articles of general produce for sale in Canton, for the purpose of purchasing the return cargo. I am disposed to think that he will not find that beneficial market which he contemplates for European articles; and as regards the article of tea constituting his return cargo, he will sustain this further inconvenience: the East India Company, under the regulations of the existing charter, are called upon to hold a very large stock (I believe a year's) in advance. Now, the consequence of that system will be, that after having sustained the natural effects of competition in the purchase at Canton (on advanced prime-cost), he will be met in this market by the Company's stock, which must necessarily be brought into the market for sale, when no longer required by law to retain it in the warehouses. Therefore, while the private trader is bringing by competition an article of a high cost from China, he will be met in this market by a double quantity, and consequently a low price of sale.

1427. The difficulty you have mentioned would apply only to the first few years of the opening of the trade?—Only to the first two or three years.

1428. Would it not also apply to the importation from the continent of Europe when tea is at a remarkably low price, even under what it cost in China?—All the import, whether it be from the Continent or from China, or from the Company's warehouses, will meet in this country to the prejudice, while it lasts, of the private trader.

1429. What is your opinion with regard to the increased consumption in this country, supposing that the price of tea were to fall to a very great extent?—I believe you might increase the consumption to almost any extent.

1430. What is the reason that it is decreasing in America, where the price is very low?—Perhaps they like coffee better. I only refer to this country where the consumption is so universal among the lower orders, and I believe (though I speak subject to correction) that our importation is principally of the lower quality of tea. Seeing the manner in which the common people in this country consume tea, and the price they pay for it, there appears no reason to suppose that, if they could obtain double or treble the quantity at the same price, they would not take it.

1431. Now, suppose that some of the tea imported by individual merchants should prove to be of very inferior quality, so that the people of this country became disgusted with it, is it then your opinion that they would continue to drink tea, and that the consumption would increase?—I think that question would principally apply to the higher class of persons, and which relates, I believe, to the smallest part of the consumption.

1432. Are you aware that on the continent of Europe, for a considerable number of years past, the consumption of tea has been gradually decreasing, and that the whole imports of tea to the continent of Europe, by sea, does not exceed eight millions of pounds annually?—I am not aware of the actual quantity consumed on the continent of Europe. I have always understood the beverage of the continent of Europe has been principally coffee, and therefore they have taken tea more as a substitute for coffee than from any particular partiality to the commodity.

1433. You are not aware that the quantity of tea that has been consumed on the Continent has been decreasing rather than increasing?—No, I am not aware of that circumstance, but I can very easily understand it would be so from the extreme cheapness of coffee.

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1434. Are you aware that the price of tea on the Continent is extremely cheap also?—Yes; but still coffee has fallen in that degree that it will enable all persons to double their consumption.

1435. Though in this country the coffee has also fallen to the same extent of cheapness, yet the tea has been, from some circumstances, continuing to increase in its demand?—Coffee has also increased in this country, but the consumption of both tea and coffee has, I imagine, been increased by the low prices at which they are afforded to be sold.

1436. Are you aware that by reducing the duty on coffee to one-fourth, the consumption of coffee has increased twenty fold?—I believe it has increased very largely.

1437. Do you believe any people in the world drink a worse article in the shape of tea than our poor people in most villages in England?—I believe it is very bad indeed.

1438. Supposing that the Company, by any arrangements it could make, were to transfer a portion of its territorial payments from England to India, the necessity of remittance from India to England would remain the same, but as the Company itself would have fewer remittances to make, would not the danger that has been apprehended by some of a combination amongst the merchants to enhance the rate of remittance, be much diminished by so diminishing the payments to be made in England?—I have always considered it to be a matter of surprise that the Company have not long since transferred part of those payments to India; I mean payments to officers on furlough, and retired civil and military servants, &c., which will amount to half a million, if not more.

1439. If there be any danger to be apprehended from a combination on account of the large payments to be made, would not that danger be diminished to the extent of the amount to be transferred?—Certainly.

1440. This would be another mode, then, in which the Company, if it gave over trade, might assist itself in making remittances from India to England, by diminishing the amount to be remitted by itself?—Certainly, it would not only diminish the amount to be remitted, but at the same time would tend to a better regulation of the exchange.

1441. Do you think it likely that a country like India shall be drained to the extent of two or three millions every year for the purpose of political payments to another country in Europe for which it receives no equivalent, without gradually and certainly impoverishing that country?—I think the power of production in India is so great, and the commodities themselves are so valuable, that there is never likely to be any difficulty in making the required payments through the commercial products of the country.

1442. Although that may afford the means of making the remittances, does not the necessity of one country making an habitual and perpetual political payment, for which it is to receive no equivalent, produce the impoverishment of that country?—Not if it is made in the articles of production of that country; I think it is evident that the money levied in the shape of tax upon the population of India, is re-expended in the productions of India for which a demand arises in Europe, and therefore, though the drain to a certain extent does exist, still it is so small as not materially to affect the prosperity of the country.

1443. Does it not amount to this, that it becomes a tribute in kind, and would not France, for instance, if a tribute were imposed upon France, payable in a given quantity of wine and oil every year, for which no equivalent was returned: would not that have the same tendency to the impoverishment of the country upon which that tribute was imposed, in the same manner as if it were paid in money?—Not to the same extent, because the actual expenditure in growing the wine and oil will remain in France.

1444. Supposing therefore the perpetual condition of the relation between India and Europe to be that that country is to make a political annual tribute, does it not bring with it a condition of a perpetual injury to that country to the extent of making it almost impossible for it ultimately to bear it?—No, I think not; I think the pressure is on the individual tax payer; I think he is the person who is prejudiced and damnified by the sum he pays, but the agriculturist who produces the indigo or the silk, is paid for his labour and for the production of those articles, through which the payment of the tribute is made.

1445. But as between country and country he has to give the value for which he receives no compensation?—Therefore that part of the population which pays the tax suffers to the extent of their payment.

1446. In

1446. In what respect does that differ from the remittances constantly made from the agricultural part of the country to the residents in great towns for the rents; does it not entirely depend upon the proportion?—Certainly.

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1447. The proportion which such remittance bears to the value of the whole annual produce of the country?—I do not think it has any material effect on the real prosperity of a country.

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Sabbati, 17^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

Thomas Love Peacock, Esq. called in; and Examined.

1448. WHAT office do you fill?—Senior Assistant Examiner in the East India House.

T. L. Peacock, Esq.

1449. Have you turned your attention particularly to the subject of steam navigation in India, and between India and Europe?—I have.

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1450. Will you state your opinion of the route by the Cape of Good Hope, especially with reference to the voyage of the *Enterprise*?—I will state what the *Enterprise* did. She left the land on the 16th of August 1825; reached Calcutta on the 7th of December 1825; that was 113 days (of which she was 103 actually under weigh) from the land to Diamond Harbour. She used both sail and steam. The greatest run by sail in 24 hours was 211 miles; the least, 39: the greatest by steam assisted by sail, 225; the least, 80: the greatest heat in the engine-room during the voyage was 105 degrees, the air at the same time being 84 degrees and a half. The total distance was 13,700 miles; and the consumption 580 chaldrons of coals, being nine chaldrons per day for 64 days; the rest being under sail.

1451. What was the power of the engines?—One hundred and twenty horse power. The speed of the engines in calm weather was eight knots an hour, the log giving nine, from the wash of the paddles. The speed of this voyage was not considered sufficient to warrant the expense and trouble; and it does not appear that any very much better results can be expected, because of the difficulties of getting relays of coals, and the time that must be wasted in getting them. There was, however, a proposal to go by this route in 60 days in a vessel of 1,000 tons, to carry 800 tons of coal, and not make any stop between London and Calcutta; that is the greatest speed that has been proposed.

1452. Can you offer any opinion as to the party who made the proposal?—I forget who it was, but I think it was Mr. Perkins. I should think the accomplishment of the proposal not very probable; the only advantage that it seems to me can be got from steam round the Cape is, to have steam-engines of about 30 horse-power fitted into sailing vessels, to cross the variable winds.

1453. How many steam vessels would be necessary to accomplish the communications with India upon that plan?—I cannot state that with any certainty. I think that route is not advisable by steam. Mr. Waghorn was very confident he could do it in 80 days, and Mr. Perkins, I think, in 60. It would be necessary in the case supposed, of fitting sailing vessels with small engines to cross the variable winds, to have reefing-paddles, fastened with chains instead of bars, which could be folded up flat; that could be done in a few minutes, and has been done in some of the American vessels.

1454. Will you state your opinion of the route from Bombay to the Red Sea and Alexandria?—The great objection to that route is the enormous expense of it. The coals burnt in the Red Sea cost about 7*l.* a ton. Every vessel that is employed will cost 25,000*l.* a year, at the very lowest calculation; and four are required on each side of the isthmus.

1455. Do you suppose the coal in that case to be sent from England?—I have calculated almost every manner in which it can be sent. Sent from Alexandria to Suez, or from England direct to the Red Sea, or from Bombay to the Red Sea, it comes to very nearly the same.

1456. Do you take into the account the supply of coals from New South Wales, which is now abundant?—No, I do not.

1457. Can you get any supply of coals from the Persian Gulf?—No, I should think not.

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1458. Do you not consider that the steam-boats would be of great use in the navigation of the Red Sea?—They are almost the only vessels that can navigate the Red Sea with any certainty, in any reasonable time; they are the only vessels that can keep the middle of the sea, and the sides are full of coral reefs.

1459. Will you state what, in your opinion, could be done to facilitate the transit of goods and passengers over the isthmus of Suez to Cairo, and from Cairo to Alexandria?—It will be as well, first, to state what has been done by the *Hugh Lindsay* steam-boat. She has made three voyages from Bombay to the Red Sea. The first, in March and April 1830, occupied 33 days to Suez; 20 days working, and 13 at anchor; the distance being 3,000 miles by the nearest admeasurement, and increased by going out of her way for coals: the return was 37 days; 20 days working, and 17 at anchor. The second voyage was to Cosire, not to Suez, from the 5th to the 27th of December 1830; the actual distance she went over was 2,830 miles in 17 days, and five days detained at anchor, getting in coals principally. The third was from Bombay, in January this year, but we have not the day; that was to Suez: we know that she arrived there on the 4th of February, but we do not know what day she left Bombay; I believe it was in the first week in January. She is not considered one of the best possible boats for the purpose, being rather a heavy sailer, and carrying only five days' coal; she has 120 horse-power. With respect to the transit of the isthmus, it is 70 miles from Suez to Cairo, which is usually performed on camels; from Cairo to Alexandria by land, 140 miles by the nearest route; 250 miles by the river, and round by Rosetta. There is a canal, but it is not in general use at present; it is not in good order; it is not available for steam vessels. From Cosire to Suez by sea is about 300 miles; from Ghenna to Cairo, which is the parallel part of the Nile, is about 450. The land journey from Cosire to Ghenna is 120 miles. The north wind blows down the Gulf of Suez 10 months out of the 12, all the months except December and January, which makes it advisable rather to go by Cosire. At the mouth of the Red Sea the winds blow from the south-east from October to June, and from the north-west chiefly in the other months; at Socotra, from October to May the winds are east, and from May to October, west. The port that was most used by the Romans was Berenice; this is 200 miles from the Nile; but it is said to be still the best port in the Red Sea, though it is not used; it is entirely deserted. That route would give the advantage of reaching the Nile above Thebes, which would be an attraction to passengers.

1460. Is there any town at Berenice?—No; there are some ruins. When the French were in Egypt, they surveyed the old canal from Suez to the Nile, and they calculated the expense of re-constructing it; they thought it would be better, in consequence of the great shallowness of the Mediterranean north of Suez, to re-construct the canal from Suez to the Nile, to deepen the bed of the river, and to re-construct the canals of Cairo and Alexandria. They estimated that the whole of the expense would be in English money 1,200,000*l*.

1461. Will you state what you know as to the practicability of re-opening the canal directly across from Suez to the Mediterranean?—The French survey gave the level of the Red Sea at high water, 30½ feet above the Mediterranean; the low water, 25 feet above the Mediterranean.

1462. That would not require above four or five locks?—Four locks, perhaps.

1463. What is the nature of the soil?—It is almost all sand. The sand does not drive on that side of Egypt as it does on the side of the Libyan Desert, as I am informed.

1464. Is not the bed of the old canal remaining?—A great deal of it. There are in one place 25 miles of continuous water, called the Basin of the Bitter Lakes.

1465. Can you state the whole distance across the isthmus in the direction of the old canal?—One hundred miles, I think, as nearly as possible, from Suez to Pelusium.

1466. Have you seen any estimate of the expense of completing the old canal?—I do not recollect any separate calculation of it; but I suppose, in proportion to the expense I have stated, about 700,000*l*.

1467. Are you aware what was the reason of the French preferring the direction of Suez and the Nile to the bed of the old canal?—Yes; because the Mediterranean is so shallow near the coast; but they thought at the same time that they might keep up a perpetual stream from the Red Sea to scour a channel. This canal, which existed in the time of the Ptolemies, had of course no locks, as the use of them was

was not then known: it was available only when the water of the Nile was as high as that of the Red Sea.

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1468. You collect that from the natural features of the country?—Yes; not from any specific historical information. 17 March 1832.

1469. The Nile rises at Cairo 17 feet?—The French survey gave 25 feet. When it passes to the mouth, it must almost have acquired the level of the Mediterranean.

1470. How did it happen that the rush of water through the canal did not keep it clear?—The communication from the Red Sea was in fact with the Pelusiac branch of the Nile, which is now closed. The level of the High Nile at Cairo, as given by the French engineers, is higher than the Red Sea: taking the Red Sea at zero, the High Nile at Cairo is 10 feet above it, and the Low Nile 15 feet below it, and the Mediterranean $30\frac{1}{2}$.

1471. Are there any steam-boats on the Nile?—I believe not.

1472. Would the navigation be favourable to the use of them?—Only for part of the year; from August to March, most probably.

1473. Are you aware that one portion of that course has now been completed, by opening from Alexandria to the Nile the communication intended in that survey?—I know there is a canal from Alexandria to the Nile; but two years ago we asked some questions, and were informed that it was not at all available for steam-boats.

1474. Will you state what has been done by way of the Persian Gulf and the Euphrates?—Nothing has been done; that is all matter of speculation at present.

1475. What is your opinion as to what might be done in that direction?—From Bombay to Bussorah is 1,600 miles; from Bussorah to Beles on the Euphrates is between 900 and 1,000, and to Bir is 100 more.

1476. Is the river navigable?—It was in ancient times, and it has been found navigable by all who have ever visited it in modern times: it has not been recently much used for navigation from Bir to Hillah; it was very much used by travellers from Europe in the 16th century. From Hillah to Bussorah it is still used.

1477. To what point do you say that the river is navigable by boats, and of what size?—It is navigated now by vessels drawing six feet water, almost all the year round, from Bussorah to Hillah. The upper part of the river, above Hillah, is said to have more water and deeper banks.

1478. Is that navigated?—It has been navigated in former times very greatly.

1479. Is it now filled up?—No; it is only the distracted state of the country that prevents its being navigated now. The general depth of it is 10 feet wherever it has been examined, except in two places; those two places have about four feet water in a dry season, except in an extraordinarily dry summer. These are Thapsacus, and, if I remember rightly, Alalis.

1480. What is the line with the Mediterranean which you propose to communicate with Bir?—From Beles to Latichea by Aleppo, which is the best route and I believe the best port, is 160 miles, and from Bir to Scanderoon, over the mountains, is 120; that route has fine scenery, but I believe it is a troublesome road. It has been recently said that Beirhoot is the best port; but that would involve a journey across the Desert, by Damascus and Palmyra, to Hillah. The distance would be considerable from the Mediterranean to the Euphrates, but I have not computed it. This opinion in favour of Beirhoot I met with only very recently. The reason that recommends Beirhoot as the Mediterranean port is, that there are coal-mines there.

1481. Is there any supply of coal on the route from Bussorah?—There is no coal, but a great deal of very available fuel. There is a great deal of wood on the Euphrates, and of bitumen, which is produced principally at Hitt; the two together make an excellent fuel, which is much used for furnaces. The bitumen is continually boiling up on the surface of springs, and is gathered in great quantities: they use it, mixed with camels' dung as well as with wood, in that part of the country, as fuel.

1482. What is the distance from Aleppo to Bussorah, by land?—It is stated at 718 miles.

1483. What would be the difference in time between the two routes?—I can give no opinion upon that. That the shortest way in time would be to go from the nearest point of the Mediterranean to the Euphrates, and then descend the river, is an opinion which has been strongly expressed in general terms by travellers in Syria.

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1484. The Euphrates was the ancient route from the Mediterranean to Babylon?—
Yes. Herodotus says, those who go to Babylon from Greece, go from the Mediterranean to the nearest point of the Euphrates, and descend the Euphrates to Babylon.

1485. What is the nearest point?—The nearest point is probably Bir.

1486. What was the freight of boats in the time of Herodotus?—He says 5,000 talents in weight; that the boats which came from Armenia, bringing their produce to Babylon, brought 5,000 talents in weight, which was about the freight of the largest Thames barges, 128 tons.

1487. Do you remember what was the strength of the expeditions of Trajan and Julian?—They brought very numerous vessels down the river with all the munitions of war for very large armies; they constructed the vessels of the wood which they found in Armenia.

1488. Do you conceive the Tigris would form any part of the route which might be established?—No, certainly not; you might go by the Tigris from Bussorah, to Bagdad, and cross to Hillah. The Tigris is navigable from Diarbekir to its junction with the Euphrates.

1489. What is the strength of the stream of the Euphrates?—About three miles an hour. There is another land passage from Beles to Aleppo and Antioch.

1490. What is the distance of that?—It would be a good deal nearer than Latichea; it would be a better place, but the mouth of the Orontes is choked by a bar, which it would require some expense to remove. It would be the best of all routes if the Orontes were made navigable to Antioch.

1491. Do you conceive this route would be at all dangerous from the interference of the Turks and Arabs?—That is the great difficulty.

1492. Do you know any way in which that difficulty can be overcome?—I do not know any means with the Arabs, but by paying black mail to the chiefs; the Turks would most probably co-operate with us. Those who have been in that country are not afraid of the Arabs; they say they are a very peaceable and well conducted people.

1493. Do you conceive there would be any objection to the adoption of this route, arising from the example we should be setting to Russia?—No, I think not; they will find it out for themselves without our showing them the way, if they can get anything by it: they are generally beforehand with us in ascertaining the capabilities of countries.

1494. What do you conceive to be the best Russian routes to India?—The one they think most of at present is the one by the Oxus: they prefer this to the route by Persia, Alexander's route, in which they would suffer by the want of water. They have been surveying the Oxus with great care, and all the country to India. They would go by the Wolga into the Caspian Sea, across the Caspian to the gulf of Mertvoy; then there are 100 miles of land to the sea of Aral; then there is the navigation of the Oxus by Khiva, as far as Balkh: they are establishing a military colony at Khiva, and there is a great deal of navigation now on the Oxus.

1495. Any steam navigation?—No; but I believe they have steam navigation in view: there is a great deal of coal about the sea of Aral.

1496. Have they steam navigation in the Caspian Sea?—I believe they have; I know they have on the Wolga.

1497. Would it be practicable for them to reach India by the route of the Euphrates, without complete naval possession of the Gulf of Persia?—That would depend upon what force we had in the Gulf; they could come down the Euphrates or the Tigris on rafts, which could be put together in great quantities with great rapidity. If we had not a great naval force in the Gulf to meet them at Bussorah, they might establish themselves at Bussorah: of course they would require ships to proceed, but they might establish themselves at Bussorah very easily.

1498. Must they not have previously collected a fleet of ships at Bussorah?—They could not proceed from Bussorah without ships, of course; but they could build ships at Bussorah with timber floated down from Armenia, and we could not easily dislodge them from Bussorah, if they had once established themselves there.

1499. Do you conceive that steam navigation would be practicable and advantageous in the Euphrates?—I think it would be very practicable, and more advantageous than in the Red Sea to this country, because it lies more in the way of all our local interests in the East; I mean, that we should pass through the Persian Gulf instead of the Red Sea.

1500. Upon

1500. Upon the whole, to which of the three courses to which steam navigation can be rendered available, should you give the preference?—I should give the preference to that by the Euphrates, if it could be rendered safe from the people.

1501. You do not think it can be practicable for the purposes of commerce, but merely for the purposes of communication?—If there is any commerce in Georgia and Armenia, it would open the way to discover it.

1502. You do not conceive that the trade between India and this country could be carried on by that channel?—No.

1503. Do you not conceive that if the canal projected by the French from Suez to Alexandria, or if the other canal from Suez to the Mediterranean, were to be re-opened, the trade between this country and India might be carried on through that channel?—Yes, with a ship canal. I think if it were once in existence, that that would be the best channel of all for steam navigation.

1504. Supposing that canal to be carried into execution, would not that be taking back the European trade with India into the Mediterranean, where it was before the discovery of the passage of the Cape of Good Hope?—It would so.

1505. And necessarily give an advantage to Marseilles and all the French ports of the Mediterranean, and all those parts of Europe, in that trade?—Yes, that is to be feared, certainly; and I believe our Government has never been friendly to that canal; it has always been said to have opposed it.

1506. Would it not be a longer passage in point of time than the ordinary passage from India to England by sea?—I am not prepared to say that; it would most probably shorten the time from England to India.

1507. With respect to passengers, would it not materially facilitate the communication in point of time for individuals going to India?—Yes, certainly, very greatly, by steam navigation; and perhaps by sailing vessels.

1508. Would not the line of communication by the Euphrates, if it became important as a commercial line, be very insecure, inasmuch as the Russians, or any other power, might easily dispossess us of it?—I think if we had it we could keep it.

1509. Why do you think if we had it we could keep it; by what means, in case of any hostile force seeking to interrupt that line of communication?—I have not considered it very attentively; but with the co-operation of the people of the country, which is implied in the supposition of our being there at all, I think we could easily retain a military possession of the upper part of the river.

1510. Though that might enable us to prevent other persons navigating the river, would it enable us to do so?—If we commanded it at Roomkala, which is above Bir, where the banks are rocky and high, I do not think the passage could be forced by anything coming down from Armenia.

1511. Are you not aware that in the Desert there are robbers; there are so many independent bands of robbers, that each boat would be required to carry a guard?—That is what we have to fear; but those who have been in that country say that the danger is exaggerated.

1512. Can you speak to the time which either of those communications would take by the Gulf and the Red Sea?—If we are to judge by experiments, we might get despatches by the Red Sea now in two months, but not in less; that has been done.

1513. When they come by the Red Sea, do they come up to Suez?—Whether by Suez or by Cosire, the despatches are sent on by expeditious messengers.

1514. In order to secure that, must they not sail from Bombay with a favourable wind?—Yes, it is only done in favourable seasons.

1515. That passage can take place only in certain seasons of the year?—No; but on those occasions they have lost a good many days in taking in coal; they have gone in three weeks of actual work, but they have lost one or two more in taking in coal. If matters were well arranged, and with a better steam-boat than the *Hugh Lindsay*, I think letters might be brought, in favourable seasons, in six weeks from Bombay to London.

1516. Supposing a steam-boat at Alexandria to start at its arrival?—Yes, supposing every thing in the most favourable light.

1517. Have we not a steam-boat now to Alexandria?—I think only to Malta.

1518. What is the mean length of the passage round the Cape to Bombay?—I cannot state.

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1519. What is the shortest time?—Letters have been received in three months. The most expeditious voyage between England and India was, I believe, that of the Company's ship *Marquis of Wellington*, Captain Alfred Chapman, to Calcutta. She passed the Lizard Point on the 10th of June, and saw Point Palmyra on the 30th of August 1829, being 81 days from Point to Point.

1520. What is the shortest time of a letter ever sent over-land by Bussorah?—I cannot speak to that decidedly, but I do not think letters have been received in less than two months in any way. I can find no evidence of even so short a time by land. Since 1801, the shortest interval between the date of an over-land letter and its receipt is in 1802, when a letter, dated in Bombay, February 22d, was received in London on the 23d of May.

1521. Can you calculate in what time, supposing all things most favourable, letters could be sent by the Euphrates?—I think, making the best possible use of every circumstance, we might get to Bombay in five weeks from an English port.

1522. What course would you take in that case?—I would go across France by land to Marseilles or Trieste; thence by steam to Latichea; thence by land to Beles; thence by steam, down the Euphrates, to Bussorah; thence by steam again to Bombay. I am supposing all circumstances most favourable. This is not so sanguine a calculation as that made by Mr. Elphinstone's government, when they first proposed the navigation of the Red Sea. They calculated it would be done in very little more than a month; they allowed about a fortnight from Bombay to Suez, and about a fortnight from Alexandria to England; altogether, 34 days; 31 days for the sea voyage, and three days from Suez to Alexandria.

1523. You think the route of the Euphrates, if all circumstances were favourable, would be the shortest passage for passengers or letters?—I think, but it is only an opinion, that it would be the shortest in time, as it certainly is in distance.

1524. There would be a danger of interruption?—Yes, that I have mentioned.

1525. In point of expense?—I think, in point of expense, it would be much cheaper than the route by the Red Sea.

1526. Why?—Fuel would be cheaper; and river steam-boats are in all respects cheaper than sea steam-boats.

1527. What do you suppose would be the difference between the return from Bussorah up the Euphrates, as compared with the voyage; would not the return-voyage be very difficult and tedious?—The return-voyage would of course be longer; but I think the average time the *Hugh Lindsay* has lost in getting coals in the Red Sea would carry a steam vessel from Bussorah to Beles.

1528. Is there at present any regular means of communication by the Euphrates?—A great deal of trade is carried on from Bagdad to Damascus by a line which crosses the Euphrates at Hillah; there is a great deal of trade from Bussorah to Hillah on the Euphrates, and from Bussorah to Bagdad on the Tigris.

1529. Is any part of that trade conducted by Englishmen?—I believe none at all.

1530. Of what articles does it chiefly consist?—That I cannot say.

1531. Do you apprehend that a letter sent from England by the Euphrates would reach this country?—No, not unless sent by a special messenger.

1532. Would not the liability of those countries to the plague form a considerable impediment to the establishment of permanent commercial communications in that direction?—Certainly; but if we had both communications, I believe we might avoid the plague, for it is said to visit the same place only once in seven or eight years; and having the choice of both routes, might take either the one or the other.

1533. Can you state what is the ordinary route by which over-land despatches now come from Bombay?—They come in various routes: they come sometimes by Diarbekir and Constantinople; I believe that is the route which is preferred. I made a memorandum three years ago of all possible routes; I will specify the principal from London to Bombay. By Venice, Constantinople, Aleppo, the Great Desert and Bussorah, 4,804 miles: by Vienna, Constantinople, Diarbekir, Mosul, Bagdad and Bussorah, 5,116 miles: by Venice, Alexandria and Suez, 5,492 miles.

1534. Will you state what are the objects which it has been proposed to accomplish by means of steam navigation in the Ganges?—For the conveyance of public treasure, of commissariat and military stores, of medical stores, of troops, of junior officers, who are generally sent up at the charge of the government; of stamped paper, and

and of small parcels of various descriptions. The Bengal government is now at an expense of about four lacs, or 40,000 £. a year in boats on the Ganges alone; and it is supposed that the same objects can be accomplished more expeditiously, more cheaply and more safely by means of steam-vessels.

1535. Is it considered that steam navigation could be rendered useful on that river for commercial purposes?—Not for the conveyance of anything but packages of moderate size. They do not expect to be able to send bulky merchandize by it, nor to send letters; they do not expect sufficient expedition to supersede the common dawk.

1536. They could send such articles as opium and indigo?—Yes.

1537. Will you state the particulars of the voyage of the Hooghly up the river to Allahabad?—The distance is 800 miles from Calcutta to Allahabad, through the Bhagaruttee River, which was performed in 20 days of 12 hours each day; that was the first voyage. The boat has two engines of 25 horse-power each; she is 105 feet long, 18 wide, 158 tons burden, and 4 feet draught.

1538. What is the ordinary time by other boats?—Some of them have been as many months as she was weeks; she was three weeks.

1539. The ordinary time would be three months?—Yes. She has been four voyages up the Ganges; the first by the River Bhagaruttee, the second and third by the Sunderbunds, the fourth by the River Jellinghee. The Sunderbund passages make the distance to Allahabad about a thousand miles. The government is constructing a canal which makes a very straight route across the Sunderbunds to that part of the Ganges where the Upper Sunderbund passage opens; the canal is from Calcutta to Koolnah.

1540. How many tugs were attached to the vessel?—She had no tugs on her first voyages; she went up as a common steam-boat; but some experiments have been tried with her as a tug at Calcutta. She acted as a tug up the Ganges on her fourth voyage only, when she drew the Governor-General.

1541. Had she not three boats attached to her?—I believe she had. The Company is now having steam-boats built here for the Ganges, which are to be constructed of iron.

1542. How much draught of water?—They are to draw two feet water. There is to be a steam tug-boat and an accommodation-boat, both of the same dimensions, 120 feet by 22 feet wide, flat-bottomed.

1543. Was the Hooghly built at Calcutta?—Yes; and the engines were of course sent out from England. The iron tug-boats are to have two engines of 30 horse-power each, with vibrating cylinders, which diminish the weight of steam-engines one-third. The tug-vessel, with the engines and the coal, will draw two feet water, and the accommodation-boat with 65 tons of cargo, will draw two feet water.

1544. These are principally for passengers?—They are, and for the purposes already mentioned.

1545. Are not these the description of boats which have been found so successful in the navigation of the Rhine?—Of the Seine: they are on the same principle of construction. The steam-boat is to be iron as well as the other.

1546. Have you seen any calculation of weight drawn up the Seine by boats constructed upon this principle?—No; these boats are intended to navigate the Ganges in the dry season; the Hooghly drawing twice as much water as these boats will draw, was not able to navigate the Ganges in the dry season, only in the rainy season.

1547. How far would she be able to navigate the river above Allahabad?—Above Allahabad there is a very great rapid for six miles; that rapid being surmounted, they would have a considerable navigation; I believe these iron vessels could navigate the river to Furruckabad.

1548. Have you formed any opinion to what extent steam navigation can be carried on the Ganges and Jumna?—No, I do not know the extreme height to which they can go.

1549. Suppose occasional interruption from the rapids to be surmounted, would not almost the whole of the river navigation of the Ganges and the Jumna become navigable for steam-boats?—Yes, I should think that the iron steam-boats would surmount any rapid in the Ganges or Jumna. The Hooghly is not a vessel for the purpose.

1550. Are the two boats now constructing in this country intended for the navigation of the Ganges?—Yes, there is to be a trial pair constructed first; they are to answer certain conditions with respect to speed and draught. and to be tried in

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the Thames when completed, which will be in two or three months; if these answer, four pair are to be sent out to India.

1551. How many will there be then on the Ganges?—The Hooghly and the Bhurhampooter will be withdrawn from the service of the upper part of the river, and be applied to the lower part of the river.

1552. State any estimate you may have formed of the charges, and the probable receipts?—The total charge is estimated at about 40,000 *l.* a year, to accomplish the same objects for which the government now expend about that sum. It is supposed that a capital of 86,000 *l.* will be sunk on the first establishment of the steam navigation. Allowing on this sum 20 per cent. for wear and tear and interest, then the whole of the expenses together will be about four lacs, or 40,000 *l.* a year. The government expends that sum now upon the navigation of the Ganges for its own purposes, and it is supposed that the public will defray a part of the expense of the steam-boats, by using them for the conveyance of treasure and small parcels.

1553. Is it contemplated that private individuals or private companies will be allowed also to start steam-boats, if they think proper to do so?—Yes, certainly; the Company is only doing it to show an example to private individuals.

1554. It is not calculated the Company shall have a monopoly of steam-boat navigation?—No, they do not wish it; they think it the duty of government to set an example.

1555. The Enterprise, when she arrived in Calcutta, was sold to government?—Yes.

1556. Was it not found of great use in the course of the Burmese war?—Yes, of very great use.

1557. Do you not conceive that steam navigation might be applied with great advantage in the Indus?—I think so, certainly; the Indus is perfectly navigable from the sea for at least 1,000 miles, on all its branches; the Indus itself, and all the five rivers of the Punjab.

1558. Do you conceive it possible to establish a navigable communication between the Sutlege and the Jumna?—I think it possible, but it would be very expensive. It is possible to make a canal, I have no doubt.

1559. What is the distance?—That would depend upon the point to which they are navigable; the waters of the two rivers approach within a degree, but I do not know whether they are navigable so high.

1560. What is the shortest distance between the two nearest navigable points?—That I cannot say.

1561. What is the nature of the intervening country?—In the upper parts it is very hilly, and lower down it is all sand: the canal must be made between the hills and the sand. There are a great many streams which lose themselves in the Desert.

1562. Can you state the highest point to which the Sutlege is navigable?—I cannot.

1563. Does the difficulty of the rapids apply to the Jumna or to the Ganges?—They are on the Ganges, for six miles above the confluence of the Jumna.

1564. How far can you get up the Jumna?—I cannot say; there are a great many rocks in the Jumna, and operations have been carried on to blow them up.

1565. Has any survey been made of the Jumna, from its junction with the Ganges at Allahabad up to Delhi?—I know it has to a great distance, and I think to Delhi; Captain Irvine brought me a very long roll, with all the rocks and places laid down. The whole of that distance, whatever it was, was navigable, and is navigated.

1566. Are you aware whether, at any period, the commerce of the Company extended up the Indus?—No; but I think they had a factory at Tatta many years ago.

1567. Is there any harbour for ships at the mouth of the Indus?—No; it is a bad entrance: it goes into the sea by many mouths, and they are none of them very good. One, which is the most practicable, sends out a long arm of sand into the sea parallel with the line of the river.

1568. Will you state what means there are of obtaining fuel for the steam navigation, either between Europe and India, or in India?—The coal sent to the Red Sea is usually coal which has been imported from England to Bombay. Cutch coal has not been found good for steam-engines. Coal has not been discovered anywhere on that side of India good enough for steam-engines. The Government has proposed

proposed to the Court to send coal direct from Newcastle or Liverpool to Socotra or Mocha.

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1569. You are not aware that the New South Wales coal has yet been tried?—No.

1570. Is there no wood?—No; there is no fuel about the Red Sea.

1571. From what part is coal obtained in India?—The Burdwan coal is the best, I believe.

1572. Is not that brought down at a small cost to Calcutta?—The price at Calcutta is 10 annas per bushel, that is ten-sixteenths of 2 s.

1573. Why is not the supply from that source adequate to the general demand for the use of steam-vessels?—It would have to be sent round from Calcutta to Bombay. At Bombay they prefer the English coal, and have found it cheaper and more available.

1574. In Calcutta they use none but the Burdwan coal?—I believe not.

1575. Did they ever make the experiment of importing coal into India from New South Wales?—Not that I know of.

1576. Have you ever seen any estimate of the expense which would attend that experiment?—No.

1577. Is there any coal in the vicinity of the Punjab rivers?—I am not aware, but I should think it probable.

1578. You do not know that there is?—No, I do not.

1579. Are there any other peculiar sources of expense attaching to steam navigation in India, which do not attach to steam navigation in other parts?—No, nothing but the fuel. There is of course the expense of sending out the engines to India, as they must be made here.

1580. Is there any fuel in the Indus?—Wood, I should think a great deal; there was anciently.

1581. How would the fuel be supplied upon the Euphrates?—If we send coal to Bussorah from Bombay, it might be sent by native vessels going in ballast for horses; these vessels would carry it very cheaply; there would not be the same expense for freight as to the Red Sea.

1582. This would be English coal?—Yes; the principal expense of the Red Sea coal is the freight and the danger of loss.

1583. Is not freight from England to Bombay considerable?—Yes, but not anything like the expense from Bombay to the Red Sea.

1584. Why is the expense from Europe inconsiderable?—It is inconsiderable in proportion to the other. I think I can state what the coal will cost going from London: it will cost 30 s. put on board here in the river, per ton; 40 s. for freight to Bombay: it would cost 50 s. for freight to the Red Sea; it must go in sailing vessels, which must go for the express purpose, and can bring nothing back; a great deal of it would be lost, perhaps one-third or one-half, by sending it in sailing vessels, and its being obliged (as in fact it has been already) to be thrown overboard in rough weather. Then it is deposited at Aden or Mocha, where there is a very great expense both in landing it and getting it back again on board the steamers. Taking all these things together, the whole expense of coal in the Red Sea is about 7 l. a ton.

1585. Can you state the probable expense to Bussorah?—I think English coal, sent to Bussorah in the way I mention, would cost about 4 l. 10 s. per ton; it would be taken in ballast.

1586. Can you state what would be the expense of coal for the navigation at Calcutta?—Ten-sixteenths of 2 s. per bushel.

1587. How many bushels go to a ton?—Twenty-seven. The consumption of coal in a steam-boat is a bushel an hour to every ten-horse power, of the very best coals; of course of inferior coals the consumption is greater.

1588. Have they used wood at all from the Sunderbunds?—The Sunderbunds are entirely forest; but coal is always better when it can be procured. It is easily conveyed to the Sunderbund stations.

1589. Is not the steam navigation of the Mississippi entirely effected by means of wood?—Entirely.

1590. Have you attended at all to the effects which have followed from the introduction of steam navigation into the great rivers of America?—I have; it has made the fortune of the western territories.

1591. Do you see any reason why the introduction of steam navigation into the great rivers of India should not be followed with effects as extensively beneficial as

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have resulted from its introduction in America?—I think it would be very extensively beneficial in India, and everywhere where there is good government; that is, where there is government that gives peace through the whole course of the river. It will be worth while to state what is done on the Mississippi in point of time. The steam-boats go up the river from New Orleans to Louisville, 1,430 miles, in 12 days; it has been done on one occasion in eight days and two hours; the fare of the boats is 35 dollars for a cabin passenger, including all expenses, and 10 dollars for a steerage passenger, which is reduced to eight, if he will give his assistance at the wood stations to bring the wood on board. Before there was steam navigation on the Mississippi, the boats of the upper country were usually sold at New Orleans with the cargo, and the crew travelled back by land through the swamps and forests. Sometimes the boat was worked back, and the voyage to Louisville often occupied nine months. On the Hudson river, from New York to Albany, they go up 145 miles in 12 or 13 hours.

1592. Do you recollect the currents?—The current of the Mississippi is four miles an hour, in the strength of the stream, on the average of the year.

1593. What is the strength of the current in the Hudson river?—I do not know.

1594. In speaking of the navigation of the Ganges, you speak of their going 12 hours in each day; are you aware that the steam-boats in the Mississippi and in the Hudson go by night as well as by day?—Yes, they do.

1595. Why do they not in India?—Because the Mississippi is uniformly deep; but the Ganges abounds with shallows.

1596. Are you not aware that the Mississippi is full of what are called snags and sawyers?—Yes; those are trees anchored by their roots in the bed of the stream, but they guard against that danger by what is called a snag chamber, a false bow; if the head of the tree strikes through it, the chamber fills with water, and there is no injury.

1597. You do not think the Indian rivers, from the dangers you state, would be capable of being navigated by night as well as by day?—No, for there could be no dependance on the channel.

1598. Will that remark apply equally to the Indus?—No, I should think the Indus might be navigated by night.

1599. The great use of steam-boats in the Indus would be to carry passengers up the stream, who might have brought down goods upon rafts?—It would be one great use; the same as on the Euphrates in former times.

1600. You think the steam-boat navigation might be extended up the Ganges and the tributary streams as far as good government extends?—Yes, and two feet water.

1601. Upon what other rivers do you conceive the steam navigation might be introduced, besides the Ganges and the Indus and their tributary streams?—The Bhurhampooter; I cannot speak to any other. I have inquired about the Nerbudda and Kistna, but I cannot find any probability of their being navigable.

1602. How far has the Bhurhampooter been tried?—I believe a steam-boat has gone up that river to a certain extent; but it would be practicable as far as the river Dihong, which is supposed to be the main stream of the Bhurhampooter.

1603. Do you mean that it is known to be navigable only so far, or that it may be navigated further?—It is known to have been navigated so far; it may be navigable further.

1604. Have not the steam-boats been found extremely serviceable to government for the purpose of communication along the coast, from one part of the country to another?—They have not used them very much for that purpose yet; they have not derived much service from them except during the Burmese war; they have not derived much service from them as sea-going vessels, but the vessels themselves have not been good for the purpose. The Indian governments have not in their possession a single sea-going good steam-boat but the Hugh Lindsay.

1605. If there were good boats you anticipate great benefit from them?—I do not think that sea steam-boats are of so much importance as river-boats; the Americans do not use them much as sea-boats.

1606. Is there much communication by sailing-boats with the natives from one place to another?—Yes, a great deal.

1607. Might not good sea-going boats be useful for that purpose?—Sea-going boats might be very useful in carrying on communication from Calcutta to Madras. For short coasting voyages by sea, where there are good harbours, steam-boats might be

be useful; but the great use of them would be in rivers. Steam-boats are much used for towing vessels down the Hooghly.

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1608. Would not the means which the steam-boats would afford of transporting troops in a given time from the east to the west render it possible to reduce the number of troops in the Western Provinces?—Certainly, I should think they would. With respect to steam-boats for towing vessels to sea, the government employs its own vessels, and hires them to individuals. There are some private steam-vessels. The Court directed the Bengal government not to undersell private persons in their hire; not to bring the government into competition, and injure individuals by making the charge too low.

1609. How many steam-boats are there now at Calcutta, whether belonging to government or belonging to individuals?—I cannot answer as to individuals, but I do not think the government has above six or seven in all; one or two of these are at Bombay.

1610. Are there steam-boats belonging to individuals, as well at Calcutta as Bombay?—There are at Calcutta; I am not aware of any at Bombay: they are principally used for towing vessels to sea.

1611. Can you state any number they do not exceed?—No, I never saw it stated; but the number is not considerable.

1612. Do you know how many days' sail it is from Bombay to Tatta?—No.

1613. With the exception of the probability you have mentioned of wood being to be procured on the Indus, must not, in your opinion, the whole of the steam-boat navigation upon the western side of the peninsula depend entirely upon coal from England?—Yes, unless they can find a better coal than they have found in Cutch; they have found a great deal of coal, but not good.

1614. Do not you consider that that necessity will make it very difficult to extend, in that part of India, steam navigation to any great degree?—Yes, I think so.

1615. Is it quite ascertained that the coal is of such bad quality that it could not be used for steam-engines?—Yes; it contains a great quantity of earth.

1616. To what extent has the coal been worked?—It has been worked some years; they have been trying for some years to discover new qualities of it. From having found a great deal of very bad coal, they have been hoping to find better.

1617. Has any scientific man been employed to search for coal?—One of the Company's officers, who seems very well qualified for it. There has not been much geological survey, except in the Himalaya mountains.

1618. Is there much internal navigation up the Ganges and Jumna, as well as down?—Yes, a great deal.

1619. Are there many instances of boats on the Ganges having been plundered from the banks?—Boats with treasure have been plundered. Treasure is generally sent with a havildar's guard.

1620. Will not a steam-boat afford its own protection?—Yes, it is so expected.

1621. Are you aware that at the present moment there is difficulty in Europeans, traders, proceeding from Calcutta upwards; is it not requisite they should have licenses?—Yes, I believe it is strictly requisite they should have licenses; but I believe they do without them.

1622. Is it not a regulation that no European shall proceed 10 miles from Calcutta, without having a regular leave given him by the government?—Yes, there is such a regulation, but I believe it is not much attended to.

1623. Would it not be better, if a regulation is not acted on, to abolish the regulation?—That is part of a great question; but so long as it exists, even if not acted on, if any serious inconvenience arises from its being infringed, the government has it in its power to remedy the inconvenience.

1624. Does not the dread of any such authority being exercised, and the party having no security, prevent the establishment of steam-boats, or any other permanent establishment, where an outlay of capital would be necessary to carry it into effect?—Probably it may have that effect; but the practical effect of the regulation is mostly to coerce the most disorderly persons.

1625. Do the natives take much interest in the introduction of steam navigation?—I believe they stare at it very much in the upper country; I am not aware that they take any other interest in it.

1626. They have not, in any instance, speculated in that way?—I believe not.

1627. What are the principal articles of trade carried up or down the Ganges?—The principal articles brought down the Ganges are, opium, indigo, grain, dyes, drugs

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drugs, oil seeds, cotton, silk, sugar; all sorts of agricultural produce. The principal articles sent up the Ganges are salt, as far as Benares; metals, wines, muslins, furniture, European goods of all kinds, as far at least as Furruckabad on the Ganges, and Agra on the Jumna.

1628. How do you account for individuals not having established steam-boats for the navigation of the Ganges, when so many years have elapsed since the great utility of the steam navigation of the American rivers has been so well understood?—They have been afraid of the expense, I conceive, for they have been permitted, and, I believe, encouraged to try it; but the government felt it necessary to try the experiment themselves, with a view to setting an example.

1629. Do you believe that the non-establishment of steam-boats by individuals may have arisen at all from any difficulties interposed by government itself, or its officers, to allowing individuals to form such establishments?—No, I do not; I do not think that the Company have prevented it by any of their regulations; I do not believe that steam navigation would have been established on the Ganges at all, unless it had been done by the Company themselves.

William Cabell, Esq., called in; and Examined.

William Cabell,
Esq.

1630. WHAT situation do you hold?—I am in the Secret, Political and Foreign Department of the India Board. I have been 32 years in the service; 18 years I served in the Secret and Political Department, under Mr. Jones. In 1818 I was promoted to the head of a department, from which period to 1828 I had charge of the Military Department, and from that time I have been at the head of the Secret and Political Department. It has been my practice, in reading papers, to make notes of circumstances which appear to be of importance, from which I have selected a few passages with regard to the commerce of India.

1631. Has not Dr. Richardson proceeded on a mission to the northern Laos from Moulmeyne, one of the places lately obtained from the Burmese; and what is the result of that mission?—Dr. Richardson received an overture from the Zunmay chiefs in March 1825, another in 1828, and one in December 1829: the letter expressed a readiness and anxiety to receive at his court any British officer Mr. Maingy, the Commissioner of the Tenasserim Provinces, might depute. Dr. Richardson left Moulmeyne on this mission on the 11th of December 1829, and had an interview with the Chief of Lahang, the 21st of January 1830. In regard to the result, Dr. Richardson states as follows: “If a communication could be opened with the Chinese by this route, our trade would be increased to an unknown extent, from the facility with which the traders transport their goods on small horses, asses and mules, 15 or 20 of which one man can take care of.” Dr. Richardson has since received an invitation to renew his visit next season; I have not heard that he has actually paid that visit, but the following is described by the Bengal government in March 1831, as the result of the first mission: “Upwards of 1,000 head of cattle have been procured for the use of the European troops at Moulmeyne, and as many more are on their way from the same quarter. It is expected that we shall gradually get into communication with those chiefs.”

1632. Are the cattle said to be of a serviceable description?—They appear only to be for food for the European troops.

1633. Have not increased facilities of late been afforded to the trade with Ava through Arracan?—Yes; Major Burney, the resident at the Burmese court, has succeeded in getting the duties on the trade placed upon the same footing as those at Rangoon. Major Burney states, under date 9th October 1830, that “the king has consented to take off three per cent. of the duties now levied, and to issue the strongest injunctions to the local officers to charge no more than 10 per cent., and to avoid giving any trouble or molestation to the Arracan traders.” In regard to this trade, Major Burney says, (on the 31st January 1831), “that a very large party of Arracan traders had just arrived, and brought such an extensive supply of piece goods and other merchandize, as to lower the prices in the market ruinously.”

1634. Can tea be obtained in any quantity from China through Ava?—Major Burney states that some samples of black tea were brought to Ava from China; and he observed, “Did the Company’s exclusive privilege admit of it, I conceive that this tea would form a good article of exportation for the consumption of the poor both in England and in India.” Major Burney, under date 26th January 1831, mentions the arrival of a Chinese caravan at Ava, said to consist of 1,000 horses and mules,

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mules, and to have been 22 days coming from a place called Thengye, about 25 days journey from Yunan. He adds, in respect to the tea above mentioned, "that the article in use at Ava does not come from China, but from Mogoung, whence I should think it would not be difficult to draw large supplies into Bengal from Mumpore. The position of Thengye, with reference to the head of the Salien, would lead me to believe that it would not be difficult to attract these Chinese traders to Moulmeyne, along the banks of that river." Under date the 3d February 1831, he gives the following additional particulars in regard to the Chinese caravan: "I again visited the Chinese mart at Madé to-day. The number of traders has much increased, and more are still expected; yet those who have arrived appear to have disposed already of their merchandise, and I found them busily engaged in preparing the cotton wool into small parcels, as loads for their mules and ponies. . . . Among the articles not sold I was surprised to see four or five pieces of green and yellow broad cloth, which had the Honourable Company's stamp attached, and which had evidently been imported at Canton. The head of the caravan told me, that it had cost $2\frac{1}{2}$ ticals a cubit, in the part of China whence they had brought it, but that here they could not get two ticals a cubit for it. I was desirous of obtaining possession of the piece of lead on which the Company's arms were stamped; but the trader objected to its being separated from the piece of cloth, showing the value which the Chinese must have for cloth bearing this stamp."

1635. Is it stated in what province this tea was grown?—I am not aware; but a sample of it was sent home to the Court of Directors by the Bengal government, with a despatch dated 11th February 1831, which was received here on the 9th of August 1831.

1636. Have any regulations been recently made by the Burmese in regard to the trade between Ava and Rangoon?—Major Burney, in December 1830, writes: "I have succeeded in persuading the Burmese ministers to fix a regular scale of duties and choki fees to be levied from traders and boats leaving Ava, and to furnish me with an authentic list of the same;" that is, on the export trade from Ava to Rangoon. The effect of the residence of a British officer at the court of Ava, in respect to trade, is described in the subjoined extract from Major Burney's journal of the 27th January 1831: "M. Lanciogo (a foreign European, who holds an appointment under the Burmese at Rangoon) arrived from Rangoon this afternoon, having left that place on the 27th ult. He came with a large fleet of boats, and told me that he had brought up a larger collection of duties from Rangoon for the king and queen, than what had been brought for two years before by the native collectors. He had with him upwards of 25,000 pieces of cloth; and as the king's duty is 10 per cent. in kind, this shows an importation of 250,000 pieces during the three months that M. Lanciogo has been at Rangoon. The importation of British goods into this country, and particularly into the capital, have been vastly increased since the residence of a British officer here."

1637. Is there any information in the records of this office with respect to the trade of the Russians with Central Asia?—We have the following information from an authentic source; it is dated 15th February 1830: "With the exception of the few vessels belonging to government, the vessels on the Caspian Sea may be denominated as mere coasting craft. The insignificance of this shipping has lately been animadverted upon by the government, and an attempt has been made to encourage its improvement, by inducing the trade between Nigne Novogorod and Georgia to be conducted over sea by the ports of Astrachan and Bakire; for hitherto the Armenian and Georgian merchants of Tiflis, prejudiced against maritime affairs, have preferred a land-carriage through the passes of Caucasus. The trade stated to pass through Semipolatsk, is not exclusively conducted with Independent Tartary, a part of it being directed to Cashgar, in the empire of China. No part of the trade with Tartary is carried on beyond the frontiers of Russia by any others than natives of the khavats of Bochara, Khiva, Khokand and Tarkand, all undertakings of the kind having been found by the Russian merchants since many years not only insecure, but likewise involving their personal safety. An attempt was made in 1824, as a trial, to conduct to Bochara a Russian caravan, which was formed under the special protection of the government, and accompanied by an escort of 500 troops, under the command of Colonel Solkossky; the expedition having crossed the desert of Keril Cozeim, was attacked at Boukan by a numerous body of Khivians, and eventually obliged to effect a hasty retreat back to Russia, after having abandoned the whole of the property. The caravans of Bochara, in times of danger, are obliged, instead of proceeding straight to Orenburgh or Troctia, to direct their

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route more to the eastward, in order to avoid the incursions of the Khivians. The Kirglier of the Steppes are the general carriers; and it is to be borne in mind, that the principal circumstances of the trade are connected directly or indirectly with the great annual fair of Nigne Novogorod. The Russians have no establishments whatever either in the Aral Sea or on the eastern coast of the Caspian. The shipping belonging to the Russians in the Caspian Sea, in 1829, was 149 vessels, tons 12,822; other vessels 232, which are mostly fishing craft. In 1824, the shipping was 201 vessels, tons 10,764. In 1825, there arrived 191 vessels, tonnage 9,278; departed 241 vessels, tonnage 11,148. The account from which these numbers are taken specified the whole trade from the Russian ports in the Caspian. In 1826, arrived 150 vessels, departed 160. In 1827, arrived 242 vessels, departed 285. In 1828, arrived 307 vessels, departed 318. The exports from the Russian ports in the Caspian in 1824 were 130,178 *l.*; imports the same year, 170,984 *l.* In 1825, exports, 110,835 *l.*; imports, 162,589 *l.* In 1826, exports, 73,035 *l.*; imports, 170,867 *l.* In 1827, exports, 149,944 *l.*; imports, 183,351 *l.* In 1828, exports, 161,776 *l.*; imports, 234,930 *l.*"

1638. What are the principal articles of those exports or imports?—Grain, flour, salt, sugar, tea, copper, iron, sundry metals, skins, hides, dyes, cotton and silk goods, cotton twist, woollen goods, hardware, earthenware, trunks and canteens, madder, shawls and sashes, dry saltery, fish, furs and Russian cloths.

The following is stated to be the value of the trade of Russia by caravans, with the states of Independent Tartary. In 1824, exports, 151,348 *l.*; imports, 150,915 *l.* In 1825, exports, 180,206 *l.*; imports, 269,234 *l.* In 1826, exports, 165,994 *l.*; imports, 255,870 *l.* In 1827, exports, 242,366 *l.*; imports, 303,822 *l.* In 1828, exports, 273,006 *l.*; imports, 268,947 *l.*; and the principal articles of export and import on the caravan trade, besides those mentioned in the preceding answer, are the following, namely, camels, horses, cattle, fruit, seeds, spices, tobacco, drugs, goats' hair, beads and coral. I have also the names of the custom-house barriers on the Russian frontiers, lying between the Caspian and Semipolatsk, which are Orenberg, Orak, Herk, Oural, Kamilkol, Gourief, Troitska, Vercho, Ouralzveringolol, Petripavlosk, Presnoger, Nicolayef, Omsk, Ustkamenogur, Kirskef, Bucktarmin and Kizliar. There is also a journal of the arrivals and departures of caravans from and to the states of Independent Tartary during the year 1829, and their description, from which it appears, that there arrived altogether 860 carts, 2,390 camels, and 14 pack-horses, and departed 6 carts and 2,820 camels, besides a caravan, the numbers of which are not stated. The arrivals appear to have generally taken place between the months of January and June, and the departures between July and December. Those caravans do not proceed beyond the Keighiz-steppes, where they carry goods to be bartered against sheep or wool.

Lunæ, 19^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

William Cabell, Esquire, called in; and further Examined.

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1639. HAS any experiment been recently made by the natives of India to introduce goods into Central Asia, and with what success?—Yes; Lieutenant Conolly, who has travelled into India from Persia, through Central Asia, met with a native of India, named Syeed Mohun Shah, who accompanied him in his route to India: this person had carried an investment of broad cloths, chintzes, cambrics, long cloths, satins, &c. from Bombay, *via* Bayla and Cutch, to Candahar and Cabool, where, though he had to pay during his route duties amounting to about 12 per cent., he disposed of his goods, some at 200 per cent. above their price at Bombay. Russian manufactures of the same kind sold at much lower price.

1640. What are the routes by which the produce of India is conveyed into Central Asia?—There appear to be two principal routes by which the produce of India and the manufactures of England are conveyed into Central Asia. One from Shekapoor, on the west bank of the Indus, to Candahar and Heraut, by the road travelled by Lieutenant Conolly; the other from Cabool over the Bamian mountains to Balk and Bokhara. To Shekapoor merchandise is carried by two routes,

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routes, one by water from Bombay and the Malabar coast, up the Indus, through Scind to Bukhur (the ancient capital to the Sogdi), distant about 12 miles from Shekapoor. The other from Delhi, *viâ* Hissar, Anvopghur and Buhawulpore, to Bukhur. It appears that the Afghan merchants bring about 600 horses annually to Bombay by water, together with rock-salt, tobacco, assafœtida, opium and Heraut carpets. On their return, these merchants take with them broad cloth, chintzes, cambrics, satins and other European manufactures, together with sugar from the Malabar coast. The high duties levied by the ameers of Scind, have caused the trade to fall off considerably; but the customs of Shekapoor, reduced as they are, produce yearly about 50,000 rupees. On the road from Delhi, *viâ* Buhawulpore, little traffic appears to be carried on at present, owing, Lieutenant Conolly imagines, to the exactions practised by the chiefs of Buhawulpore and Bickaneer, the first of whom is said to levy 13 rupees, and the second 11 rupees upon every camel load from Buhawulpore. Lieutenant Conolly, instead of following the route of Mr. Elphinstone through the Desert, *viâ* Bickaneer and Chooroe, turned off the Bickaneer road at Peerwala, and proceeded direct east, *viâ* Jamgur, Phooluree, Anoooghurh, Holwana and Bunga, to the British frontier near Hissar, a distance of about 178 miles. This road is described as running immediately to the north of the Desert, and dividing the barren from the cultivated country. Large towns were continually passed, grass and water (the latter very deep below the surface) were in abundance, and "many thousands of camels and cows were pastured in the jungles." The whole of this route from the Indus to the British frontier, is described to be in the best order, and entirely free from robbers. Lieutenant Conolly thinks that it is only the heavy duties which prevent merchants from going by this route, and that if the chiefs of Bickaneer and Buhawulpore (who are said to be devoted friends of the British Government) were shown the impolicy of such high levies, they would readily attend to suggestions for opening this channel of commerce.

1641. Is there any opening for the trade in the northern provinces of Persia, by the Black Sea?—Vice-Consul Brant, in a letter dated 20th January 1831, says, "The Persian merchants at Erzeroum are anxious to see European establishments nearer their country than those of Constantinople and Smyrna, but they all asserted that Erzeroum was a point more suited to them than Trebizonde, because the latter lying out of the route to Constantinople, would lead them a long round if they could not suit themselves there to their satisfaction; whereas if they could not do so at Erzeroum, they would proceed on their way without having lost anything. The trade of Erzeroum has suffered much since the Russians evacuated the country, and took with them about 50,000 families from the Turkish territories, chiefly Armenians and artizans. Erzeroum offers a point from whence to communicate readily with Tabreez or Constantinople. With Bagdad, Damascus, and all parts of Syria, the communication is kept up by frequent caravans. The same conveyances afford an easy access to Kars, Van Durbekir, Erzingian, Tocat and Angora, while European merchandise may reach Erzeroum, at a moderate expense, through the port of Trebizonde, and the same channel is the most economical for the exportation of the products of Anatolia and Persia. There always has been an active intercourse with Tiflis; but the late cession of Ahkeska to Russia, connects Erzeroum with Georgia, for the settlement at Ahkeska of all the Armenian emigrants, will render that place an object of equal interest to Tiflis and Erzeroum. There can be little doubt that the establishment of European houses of commerce would draw wealthy and industrious people to Erzeroum. As a step towards the formation of a trade at Erzeroum, a consular establishment there is indispensable; but time only can prove the propriety of making that or Trebizonde the principal residence, because it is difficult to say at present which may ultimately become of most importance. I am convinced that a very extensive consumption of articles of the manufacture of Birmingham may be introduced both for Persia and the interior of Turkey. This branch has heretofore been exclusively in the hands of the German manufacturers; an opening also for the sale of cloth, and perhaps of silk and other articles.

1642. Are there any impediments to the navigation of the Indus?—Captain Pottinger remarks, that the enormous duties levied by the ameers of Scind at the mouth of the Indus, together with the unsettled state of Afghanistan, have rendered the commerce merely nominal. Salt, saltpetre, grain and firewood, are occasionally brought down to Scind in flat-bottomed boats; but upon these articles every petty chief, through whose territories they pass, levies a high duty. In consequence of this state of things, merchants from Bombay are obliged to convey

their goods into western Hindostan by a tedious land route from Surat and Palee, instead of by the rivers of the Punjab. European stuffs and chintzes are said to be in great demand, both in the Punjab and in Cabool. The Afghan merchants who bring fruit to Delhi, take back European manufactures which have travelled by the circuitous route of Calcutta and the Ganges. The consequence of the closure of the Indus has been, that the Afghans depend chiefly upon Russia for their supplies of broad cloth, chintz, &c. which are imported from Balk and Bokhara, or from Candahar and Meshd. Lieutenant Burnes, who has navigated the Indus from the sea up to Lahore, states, "there are political obstacles to using the Indus as a channel of commerce; the people and princes are ignorant and barbarous; the former plunder the trader, and the latter overtax the merchant, so that goods are sent by land, and by circuitous routes. The absence of trade arises from no physical obstacles, and is to be chiefly traced to the erroneous policy of the Scind government. There are about 700 boats between the sea and Lahore, and this number suffices for ferrying and all other purposes." Of the trade of the Indus, he states, "it is such as an evil government might lead one to expect. Excepting the rice produced on its own banks, there are in fact no exports whatsoever, and the merchandize that is brought into the country is landed at Curachie." It does appear remarkable, that the principal port of Scind should be Curachie, when its rulers are in possession of the Indus; but it is easily explained. Curachie is only 14 miles from the Pitter or western mouth of the Indus, and there is less labour in shipping and unshipping goods there, than in carrying them by the river from Daragee or Shahbunder in flat-bottomed boats. Curachie, on the other hand, can throw its imports into the peopled part of Scind without difficulty, by following a frequented and good level road to Tatta. The unshipment too at that port supersedes the necessity of shifting the cargo into flat-bottomed boats; and the actual distance between Curachie and Tatta (about 60 miles) is half exceeded by following the windings of the stream to any of the bunders in that Delta. As the ports in the river and Curachie are both subject to Scind, it is conclusive, that the seaport has advantages over those of the river, which have led to their being forsaken by the navigator. In former years, before Curachie was seized by the Scindians, the exports from the Delta were considerable, but since then all articles of value are brought to Curachie by land, and there shipped. The opium from Malwa is never put into a boat but to cross the Indus on its way to Curachie. Lieutenant Burnes again observes, "With regard to the trade of this country, it may be said there is little or none any where but at Curachie. The Indus is as if it existed not, and the grain is sent by it to the Delta, and advantage is taken of the river to convey goods to Hydrabad; the imports are landed at Curachie, and the most valuable export, which is Malwa opium, is shipped from the same port. The merchants, in prosecuting their journey to Candahar and the upper provinces of the Indus, quit the Scindian territories with all despatch. The only encouragement which the chiefs give to trade is in opium, a drug on which duty is levied to the exorbitant extent of 250 rupees on each camel load; the revenue from this article alone amounted last year to seven lacs of rupees, a sum equal to the land revenue of the Hydrabad ameer."

1643. What are the advantages likely to result, if the navigation of the Indus river were to be opened?—It has been remarked in a memorandum which has been received from India, that the opening of the navigation of the Indus would apparently be beneficial to the Sikhs, Afghans and to the Bokharans, as well as to Great Britain and India; and the successful speculation of Syeed Mohun Shah, the companion of Lieutenant Conolly's journey, gives ground for believing that English manufactures, when brought into competition with the Russian, would in a few years completely drive the latter from the markets not only of Afghanistan, but of all Central Asia.

1644. Is there not a statement of the nature of the trade carried on by Scind contained in one of the despatches of the India Board?—Yes, there is; it is as follows: "The soil of Scind, which is watered by the Indus, is described to be extremely fertile. Cattle, serviceable horses and camels, more celebrated than any in the East, are said to be produced there in abundance. The exports of indigenous produce are represented to consist in saltpetre, cotton, rice and various grains; and a valuable transit trade in shawls, opium and horses, is also carried on." The opium of Malwa is well known to have found its way through the Scindian territory with insurable certainty; and Mr. Baker, in his evidence before the House of Lords, has stated that a trade is maintained between Scind and Malabar. It has sometimes

times been affirmed that Scind is a country so deficient in resources and security as to be incapable of external commerce; but the above statements, all drawn from competent authorities, abundantly disprove such allegations.

1645. Is there any and what information in regard to the inland navigation of the Indus, its depth of water, the number of boats upon it, and the period occupied in a voyage from the sea to Lahore and back; also in respect to the tides of the Indus?—The following information is obtained from Lieutenant Burnes, who has been up the Indus as far as Lahore: “There is an uninterrupted navigation from the sea to Lahore; the distance by the course of the river amounts to about 1,000 British miles. It is a fact worthy of record, with regard to the river Indus, that those mouths which are least favoured by the fresh water are easiest accessible to large vessels from the sea, for they are more free from sand-banks, which the river waters, when rushing with violence, never fail to raise: thus the Buggarn, which is full of shallows, has a deep and clear stream from Daragee to the sea. The Hooghly branch of the Ganges is, I believe, navigable from a similar cause.” With respect to the depth of the water, it is said, “The Indus, when joined by the Punjab rivers, never shallows in the dry season to less than 15 feet, and seldom preserves so great a breadth as half a mile. The Chenab or Acesines has a medial depth of 12 feet, and the Ravee or Hydrastes about half the size of that river. These are the minima of soundings on the voyage, but the usual depth of the three rivers cannot be rated at less than four, three and two fathoms.” With regard to the boats on the Indus, Lieutenant Burnes states, “This extensive inland navigation, open as I have stated it to be, can only be considered traversable to the boats of the country, which are flat-bottomed, and do not draw more than four feet of water when heavily laden; the largest of these carry about 75 tons English. Science and capital might improve the build of these vessels; but in extending our commerce or in setting on foot a flotilla, the present model would ever be found most convenient. Steam-vessels could ply if constructed in this manner, but no vessel with a keel could be safely navigated.

“The traffic on the river, commencing from its very mouth, is carried on in flat-bottomed boats called ‘doondees.’ These boats are large and unwieldy, they never exceed 100 kurwars (50 tons), and yet they only draw when laden about four feet of water; they have two masts, the large one in front; they hoist their sails behind them to prevent accident, by giving less play to the canvas. The foresail is of a lateen shape, that aft is square and very large. With these set they can stem the current, in a good wind, at the rate of three miles an hour. We came from the sea to Hyderabad in five days. When the wind fails, these boats are dragged, or pushed by spars, against the stream; with ropes they can be pulled a mile and a half in the hour, and they attach these to the mast-head to have a better purchase. The helm is shaped like the letter P, and in the larger vessels is managed by ropes from each side; at a distance it seems quite detached from the doondee. These vessels are also furnished with a long supple oar astern, which they work backwards and forwards, the steersman moving with it on an elevated frame; it reminded me of what I believe is called sculling. It is possible to impel the doondee with this oar alone, and nothing else is used in crossing with the different ferry-boats. When coming down with the stream, this oar, too, is again in requisition, and they work it to and fro to keep the broadside of the vessel to the current. In descending the river, the masts are invariably struck, and the helm even is stowed away. I can compare these boats to nothing so correctly as the drawing of the Chinese junks; the largest are about 80 feet long and 18 wide, shaped something like a ship, high astern, and low in front, with the hull slanted off at both ends, so as to present less resistance to the water. They are floating houses, for the people who navigate them take their families, and even their birds and fowls along with them. All the boats on the river, large and small, are of the above description. In navigating the doondee, the boatmen always choose the shallow water to avoid the rapids of the river. At present there are not vessels sufficient for any considerable trade; between the capital and Tatta they do not exceed 50, many of them small and used for fishing, others old and worn out, that cross the stream in certain places as ferry-boats; encouragement would soon remove this.

“From Bukhur the Indus is navigated by a different description of boat from the doondee I have already described; it is called ‘zohrug,’ and of an oblong square shape, rounded fore and aft, built of the talee tree, and clamped with pieces of iron instead of nails; an operation which is performed with great neatness. The

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zohrug is flat-bottomed and has only one mast; some of them exceed 80 feet in length and 20 in breadth. They pass through the water quicker than the doondee, and are as roomy before as astern. They are not numerous, but we met 95 of them in our voyage to Mittun. I cannot understand by the description of boats which Alexander used for transporting his cavalry, any other than these zohrugs, for Arrian describes them as of a round form, and says they received no injury when the long vessels were wrecked at the junction of the Hydaspes and Aresines. Their peculiar build is doubtless owing to these rapids, which they have to traverse. We made the passage in these boats from Bukhur to Mittun in nine days, a distance of 170 miles by the river. The timber of which the boats of the Punjab are constructed is chiefly floated down by the Hydaspes from the Indian Caucasus, which explains satisfactorily the selection of it as a naval arsenal by Alexander, in preference to the other rivers, by either of which he might have reached the Indus without a retrograde movement. There are but few boats in this river; about 50 are used in the salt trade at Pindee Dadun Khan, some of which carry 500 maunds of salt, and exceed 100 feet in length, being built like the zohrug, rounded at both ends: they do not hoist a sail, and can drop down with the stream from the mines in 12 days to Mooltan, passing in safety the conflux above described.

"The voyage to Lahore from the sea occupied exactly 60 days, but the season was most favourable, as the south-westerly winds had set in, while the stronger inundations of the periodical swell had not commenced. We reached Mooltan on the fortieth day, and the remaining time was expended in navigating the Ravee, which is a most crooked river; the boats sailed from sunrise to sunset, and when the wind was unfavourable, were dragged by ropes through the water.

"A boat may drop down from Lahore to the sea in 15 days, as follows: to Mooltan in six, to Bukhur in four, to Hyderabad in three, and to the seaports in two. This is of course the very quickest period of descent; and I may add, that it has never been of late tried, for there is no trade between Scind and the Punjab by water.

"The tides rise in the mouths of the Indus about nine feet at full moon; they flow and ebb with great violence, particularly near the sea, where they flood and abandon the banks with equal and incredible velocity. It is dangerous to drop the anchor but at low water, as the channel is frequently obscured, and the vessel may be left dry. The tides in the Indus are only perceptible 75 miles from the sea, that is, about 25 miles below Tatta."

1646. What is the nature of the trade of Buhawulpoor?—Lieutenant Burnes states, "The manufactures of Buhawulpoor consist of coongees, which are celebrated for the fineness of their texture. The weavers are Hindoos, a numerous class in this country, and who enjoy more toleration in their trade than in their religion. The merchants of Buhawulpoor deal extensively in goods of Europe manufacture, which they receive from Pallee in Marwar, by way of Bickaneer and the Desert, and send into the Dowranee country by the route of Mooltan and Leia, crossing the Indus at Kaheree. This outlet for the manufactures of Europe has diminished with the anarchy in Cabool, and the supply at present, as in many other countries, often exceeds the demand. The Hindoos of Buhawulpoor, and indeed of all this country, are a most enterprising race of men; they often travel to Balk and Bokhara, and sometimes to Astracan, for purposes of commerce; they take the route of Perhawar, Cabool and Bamian, and crossing the Oxus exchange at Bokhara the productions of India for those of that quarter of Asia and Russia, which are annually brought by the merchants of that country. They spoke highly of the Ulebek king, and praised Dort Mahomed of Cabool for the protection he afforded to trade. The manner of crossing the Oxus, as described to me by these people, is too singular to be omitted; horses are yoked to small boats, and are driven across the stream. The current of the Oxus is said to be less rapid at the surface than lower down. The Sutlege, or rather the joint stream of it, and the Beah or Beeas, called Garra, on which Buhawulpoor stands, is a navigable river, though not used in the transport of its merchandise, but then it does not lie on any available line of route except to Scind, with which country, as I have before repeated, there is no trade from the upper provinces of the Indus. Of the name of this river (Beeds's) I may add, that it is a contraction of Bypase, in which we have nearly all the letters of Hyphasis, the designation of it found in the ancient authors."

1647. What are the productions of the city of Mooltan?—Lieutenant Burnes states, that "the inhabitants are chiefly weavers and dyers of cloth. The silk fabric of

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of Mooltan is called 'kais,' and may be had of all colours and from the value of 20 to 120 ks. They are less delicate in texture than the boonzes of Buhawulpoor. Runjeet Sing has with great propriety encouraged their manufacture since he captured the city, and by giving these cloths at his durbar has increased their consumption, as they are worn round the waist by all the seik sirdars; they are also exported to Khorassan and India, and the duties are equitable and moderate. To the latter country the route by Jessulmere and Bickaneer is chosen in preference to that by Scind, from the trade being on a more equitable footing. The trade of Mooltan is much the same as Buhawulpoor, but is on a much larger scale, for it has 40 shroffs (money changers) chiefly natives of Shekapoor."

1648. Is the navigation of the Indus practicable by steam?—Lieutenant Burnes states, "There are few rivers in the world where steam might be used with better effect than on the Indus. It has no rocks or rapids to obstruct the ascent, and the current does not exceed two and a half miles an hour. Our daily progress sometimes averaged 20 miles by the course of the river, for a vessel can be hauled up against the currents at the rate of one and a half miles an hour: with light breezes we advanced two miles an hour, and only when it approached to a hurricane could we stem the river at the rate of three miles. Steam would obviate the inconveniences of this slow and tedious navigation, and I do not doubt but Mooltan might be reached in 20 instead of 40 days. From that city a commercial communication could best be opened with the neighbouring countries. From the account of the river Indus at its mouths, which is above given, it will appear that it would be accessible to steam-boats of a certain size and build; but I am thoroughly satisfied that no boat with a keel could ever navigate the river with any hopes of safety. The flat-bottomed boats are constantly grounding, but they sustain no injury, while boats differently constructed would be at once upset by the violence of the stream, and destroyed. It is not to be doubted, however, that steam vessels could be adapted to this navigation, as well as the existing boats on the river, and the absence of coal would be amply supplied by the great abundance of fuel which the banks of the river everywhere furnish. The Americans use wood for fuel, and the supply of it on the Indus would never be exhausted."

1649. Have you any information in regard to the result of a survey which has been recently made of the Tigris and Euphrates?—Major Taylor, the colonial agent at Bagdad and Bussorah, transmitted to the Bombay government, on the 7th June 1831, a diminished index-map of the labours of Messrs. Elliott and Ormsby, who had completed a survey of the Tigris from Bussorah to Bagdad. Of the correctness of this survey, Major Taylor says that he can speak from minute personal observation, and that he is himself employed on a memoir of the labours of these gentlemen, connecting his own observations with theirs. He then proceeds as follows: "From Bussorah to Arrah by the Euphrates, no natural obstacle to steamers exists for two-thirds of the year, from November to July, requiring two and a half to three fathoms. In the remaining months the water is in some spots lowered to six feet. From Bussorah to Bagdad by the Tigris, the same may be said, with a decrease to four and a half or five feet at particular points. Wood or bitumen for fuel may be had in sufficient abundance for the production of steam; provisions may be had on the route of both rivers, and the Arab inhabitants on the banks will too soon understand their own interest to oppose any obstacles to the passage, not to mention the direct authority of the local government. Messrs. Elliott and Ormsby left Bagdad early in April 1831, for the town of the Bir on the Euphrates, to attempt to descend that river at the greatest reduction of its waters, to ascertain the possibility of its navigation by steam." Major Taylor, on the 7th of August 1830, states, that "Mr. Bowater ascended the Tigris from Bagdad to Mosul; he left the former place on the 13th, and arrived at Mosul on the 22d July 1830." Mr. Bowater stated, that the Tigris was not fordable between Bagdad and Mosul; he then proceeded to Beer, at which place there were a great number of boats employed in transporting merchandize and passengers across the river.

1650. Was the information which you have now given, in consequence of the orders or instructions sent from this country in the year 1829?—Yes, it is in consequence of those despatches that the Bengal government have been turning their attention to the subject; and most of the information above given is the result of those inquiries.

1651. Have any of the native merchants, who have been sent by the Bombay government, given any information as to how they had carried on their trade?—I have not seen any.

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1652. Was Lieutenant Conolly employed, or was he merely travelling for his own information?—He travelled for his own information, I believe, entirely.

1653. Are you aware that a considerable number of years since the Bengal government, trying to extend our commerce to Central India, had employed Mr. Moorcroft and another gentleman for that purpose?—I have heard that they were so employed, but I have not read the despatches they may have addressed to the government on the subject.

1654. Have you had any communication with Major Wilson, who was resident at Busire?—Yes, I have seen him since he arrived in this country, and have had some conversation with him.

1655. Did he state that he had met with an American who had lived in the Scind country for many years, upon the banks of the Indus?—Yes.

1656. Do you know whether the information he got from that gentleman is with the Board of Control, or at the India House?—I think it very probable it is either here or at the India House, but I have not been able to refer to it yet.

1657. Have you any information as to the navigation of the great branch of the Indus up to Cabool?—No, I am not aware of any information upon that point.

1658. How near to Attock does the river navigation extend?—Lieutenant Burnes, I believe, is of opinion that the river is navigable all the way to Attock.

1659. Did Runjeet Sing show any indisposition to our navigating the Indus?—Not that I am aware of; he gave the mission a most distinguished reception.

1660. Was he previously informed of the intention to communicate with him?—Yes, he was informed direct by the Indian government through Captain Wade, and he had some of his principal officers deputed to meet Lieutenant Burnes; I think they waited nearly three months for his arrival, in consequence of the difficulties opposed in the first instance to the reception of Lieutenant Burnes by the ameers of Scind.

1661. Is there any statement in the public records of the effects upon trade and revenue which have attended the mission adopted by the British Government for the suppression of piracy in the Gulf of Persia and the Indian Ocean?—Sir John Malcolm, in a Minute dated the 28th of October 1830, states: "The increase of customs upon our trade to the Red Sea and the Gulf of Persia, I find has increased within the last two years, to 44 lacs of rupees per annum from Calcutta, while at Bombay the imports from the Red Sea were, in 1809-10, only 7,19,549, and are now 14,87,888 rupees. The exports were, in 1809-10, rupees 4,80,759, and in 1830, 8,90,145 rupees. From the Persian Gulf imports were increased, in 1809, by the missions to that country and the impressions of our naval force, which kept down piracy, to 30,64,687. This fell afterwards, when the Gulf was unprotected, to below half this amount, but are now 40,34,247. The exports to the Persian Gulf have had a far greater increase: in 1809-10 they were only 17,71,476, and in 1829-30 they amounted to 55,62,260 rupees. From these results, it appears that from the ports of Calcutta and Bombay alone there is a trade with the Red Sea and the Gulf of Persia to the amount of above one crore and 60 lacs, which is not even half the amount of what is carried on with these quarters from the coast of Cutch, Katteywar, Guzerat, Cannara, Malabar, Coromandel, the Mauritius, and countries to the eastward, to the inhabitants of all which we are bound by our duty, as rulers, to grant protection in their commercial intercourse with distant countries. According to a statement lately received from the resident in the Persian Gulf, it appears that imports into Bushire from India amounted, in 1829-30, to rupees 85,91,798, and the exports from that place for the same period, to rupees 33,21,376. The annual amount of the trade, therefore, between India and the ports of Bushire, is 1,19,13,374 rupees; if to this sum be added 60 lacs, as the probable estimate of imports and exports between Bussorah and the former country, and 70 lacs more for those between our Indian possessions and the commercial ports of Muscat, Bunderabass, Lingah, Congoon, Bahrein and Grane, the total of the trade between the Persian Gulf and India will be about two crores and 49 lacs of rupees. The imports and exports between Bombay and the Red Sea last year amounted to nearly 24 lacs; and assuming that sum to be about the estimate of those between the latter quarter and Calcutta, we shall find the aggregate trade between India and the two Gulfs to be about two crores and 97 lacs of rupees."

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R.N.Lieutenant *James Henry Johnston*, R.N., called in; and Examined.

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1662. YOU commanded the *Enterprise* in her voyage from this country to India, did not you?—I did.

1663. Will you describe the vessel?—The *Enterprise* was 470 tons, builder's measurement; her length upon the keel 122 feet, and over all, 1,597; beam 27 feet; including sponsings, 37 feet four inches; including paddle-boxes, 44 feet six inches; the paddle-wheels had 15 feet diameter, and were seven feet broad. She was fitted with a pair of engines by Maudslay, of the limited power of 120 horses; she was capable of stowing for 35 days' consumption of the best English coals; she had a very full body, and her utmost speed, when steaming under the most favourable circumstances, was eight statute miles per hour in dead water and calm. Her average speed under sail alone during the voyage, was five miles per hour; under steam and sail, six minus one-twelfth; before the wind with a stiff breeze, nine knots; when close hauled she made a great deal of leeway, and was on that account always kept one point free, and with a moderate breeze would go six knots.

1664. At whose expense was the voyage undertaken?—A society of gentlemen; the expense was divided into 64 shares, and they were taken by 32 individuals.

1665. What was the cost of fitting out the vessel?—The whole expense attending the voyage to Calcutta, including commission and some coals which were not consumed, was 43,000 *l.*; that includes the interest on money and premium of insurance.

1666. Was it successful as a pecuniary speculation?—Being sold to the Supreme Government of India for 40,000 *l.*, the original amount of the shares was recovered.

1667. But for that sale to the Company, would the speculation have answered?—There would have been a considerable loss.

1668. Will you state the whole of what was done by the *Enterprise* while under your command?—The voyage was made to Calcutta in 103 days, steaming and sailing; three days were passed at the island of St. Thomas, in the Gulf of Guinea, in procuring water and shifting the coals from the tanks into the boxes; seven days were passed at the Cape of Good Hope in taking in a supply of coals; the Cape of Good Hope was the only depôt for fuel between Falmouth. My only motive for anchoring at the island of St. Thomas was to procure assistance in moving the coals from the large tanks at the back of the boiler into the coal boxes. The apertures in the tanks were very small, and hitherto it had required the exertions of the whole crew of 20 men each day to keep up the necessary supply; whilst the heat to which the men were subject (the thermometer in the tanks ranging sometimes to 130 degrees of Fahrenheit) had caused several of them to faint, and one or two nearly escaped suffocation. At the Cape I engaged more men (natives), who commenced working on the tanks immediately after we put to sea. As it had been contemplated that in consuming the fuel, the vessel would be so much lightened as to require ballast, the coal had been filled into tanks, which were afterwards to be filled with water; this ballast, however, was not found sufficient; and previous to my arrival at the Cape, when there was not more than 15 or 16 tons of coal remaining, I found it necessary to put every weighty article into the bottom of the vessel, even to the spare sails, and to saturate them with water for the purpose of keeping the vessel safe. On subsequent occasions, when I have been obliged to consume the whole of the coal on board the vessel, for seven or eight days previously I have made a point of reserving the ashes, which from Burdwan coal are very considerable, and which being passed through large tubs of water, were afterwards filled into bags and struck into the hold to serve as ballast.

1669. What line of track did you take from England to the Cape?—On leaving England I passed within sight of Cape Finisterre, and passed between the Canary Islands, then inside the Cape Verd Islands, about 100 miles from the Cape Verd, and stood away to the eastward to the island of St. Thomas.

1670. Did you originally intend to visit the isle of St. Thomas?—No, I did not. On leaving England, I steamed for 11 days without intermission, and then reached to the southward of the Canary Islands, where I expected to fall in with the north-east trade wind: in this I was disappointed, and on examining the coals which remained, I felt convinced that I had not sufficient to steam all the way to the Cape of Good Hope. I had been led to expect that the *Enterprise* would have had at least a mile or a mile and a half per hour more speed than she proved to have, and

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under these two disappointments, the failing of the wind and the want of speed of the vessel, I found that to make the voyage at all, I must determine on going under sail whenever I could proceed at the rate of four miles an hour. After passing the Cape Verd Islands, I made a course for the Island of St. Thomas, employing steam and sail alternately, as wind or calm might prevail. From St. Thomas's Island I steamed directly south, to latitude $17^{\circ} 30'$ S., encountering a heavy swell, and a current setting to the northward with calm weather from lat. $17^{\circ} 30'$ long. $7^{\circ} 45'$ E. I made sail with a light wind from south-south-west, which gradually veered to south-east, when I reached the 29th degree of south latitude. I again set on my steam to gain the westerly winds, which conducted me to the Cape. The first time I cleaned my boiler was at the expiration of the 11th day, when I was much gratified to find that Mr. Field's refrigerator had completely prevented the formation of salt in the boiler, the only deposit being a slight incrustation of the sulphate of lime over the furnaces. During four years that I commanded the *Enterprise*, no salt was ever formed in the boiler.

1671. What was the course you would have taken if you had had an ample supply of coals, and a vessel which was in every way well calculated for a sea steam-boat?—Had she been calculated to make the voyage to India, she ought not to have carried more than 10 or 12 days' coals at the utmost, and there should have been more depôts, occurring as frequently as the necessity for sweeping the flues.

1672. On what day did you reach the Cape?—On the 13th of October.

1673. Did you meet with any rough weather off the Cape?—Not before I arrived there; off Cape Palmas I had some very rough weather.

1674. How did your vessel weather the seas?—She behaved very well, she was scudding under sail off the Cape of Good Hope.

1675. Do you allow, when you are scudding in a gale of wind, your wheels to run round with the velocity that the ship goes through the water?—Yes; the wheels are in that case disconnected from the engine, and turn round independently of each other, entirely as the velocity of the ship may affect them.

1676. Do you conceive that in such a heavy sea as there is occasionally off the Cape of Good Hope, a steam-vessel would be exposed to any danger which would not attach to sailing vessels?—I think that whilst her engines remained in order and available, she would be less exposed than another ship to danger. On my arrival at the Cape I had only six hours' coal remaining; my detention there was occasioned by gales of wind blowing from the south-east.

1677. But for that, how soon could you have taken in a new supply of coals?—In 48 hours with great ease.

1678. Was that the first steam-vessel which had ever touched at the Cape?—Yes, it was.

1679. Will you state your course from the Cape to India?—From the Cape I proceeded very deep, and off Cape Nattal, when I opened the Mosambique channel, I experienced a strong gale from the south-west, with a heavy sea, occasioned by the current running to the westward; the fires were put out, the wheels disconnected from the engine, and the ship scudded under her main-topsail and foresail, going at the rate of 10 knots per hour, but making a progress of not more than 80 miles in the 24 hours, from the strength of the current. She steered admirably; she answered her helm as well as a ship could possibly do, and behaved in every way like an admirable sea-boat. In passing near the spot marked upon the charts as the Dutch bank, we had every appearance of extremely shoal water, with a ripple, and large collections of birds; the discoloured water extended over too large a space to have been occasioned by a dead fish.

1680. Was it blowing too hard for you to make yourself perfectly satisfied whether there was or was not shoal water?—It was, and the day was closing. I proceeded to the northward, leaving the island of Madagascar to the west, and passing near the Sichall Islands, and reached within a degree of the equator, in latitude 60° ; from thence I steered to the eastward, and experienced a current setting to the eastward at the rate of 80 miles in 24 hours; I passed to the northward of Pona Molubque, and shaped a course to the Andaman Islands. My fuel being at this time very low, I thought it desirable to take up a position, at which the north-east monsoon would ensure my reaching the Sand-heads under sail. I arrived at Diamond Harbour on the 6th of December, having expended the whole of my fuel, and was obliged to purchase wood to steam up to Calcutta. During the passage from Falmouth to Calcutta, no other accident happened to the machinery or the

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the boilers, but such as we were enabled to repair in the course of one or two hours.

1681. Had you not some accident in the British Channel?—Anxious to take on board as much coal as could possibly be stowed, 40 tarred sacks filled with that article had been placed upon the boilers; when off Dungeness they were discovered to be on fire; the vessel being admirably provided with the means of extinguishing any fire that might occur, it was got under in 10 minutes, having done very little damage.

1682. You were 113 days performing the whole voyage?—Yes.

1683. In what time did you expect to perform it before you started?—I hoped to have performed it in between 70 and 80 days.

1684. The disappointment arose from the two causes which you have already stated, and from no others?—Yes, from the causes I have already stated, particularly the want of speed in the vessel, arising from her great capacity. I had certainly calculated on meeting with the north-east trade, and finding more available winds than we did experience; but it is to be attributed to the unfitness of the vessel for the undertaking.

1685. How many passengers did you take out?—Seventeen; the passage money amounted, I think, to 2,000*l*.

1686. Did you take any goods?—No, a few packages which were not charged for; we were desirous to induce persons to consign their packages and parcels to our care.

1687. Did the steam add much to the heat or inconvenience of the passengers?—Not at all; we experienced no inconvenience from heat, but considerable inconvenience from the coal dust, when it became necessary to take the coal from the after-hold.

1688. Did they complain of the cabin accommodation?—The accommodation was generally admired, it was excellent.

1689. What was done with the *Enterprise* after her arrival?—The *Enterprise* was delivered to the Bengal government on the 26th of December, and on the 5th of January started for Rangoon with despatches: her first voyage to Rangoon and back occupied 13 days: she left the Sand-heads on the 7th of January, at 5 P. M., and arrived at Rangoon on the 12th of January, at 5 P. M., the distance 620 miles: she left the Elephant, which is at the entrance of the Rangoon River, on the 14th, at 6 P. M., and arrived at Sand-heads on the 18th, at 6 P. M. The passage from Calcutta to the Sand-heads generally occupies two days, from circumstances of tide and shallow water on the Janus and Mary.

1690. Was it possible at that time of the year to have made the voyage there and back in a sailing boat, without greater delay?—No; I arrived at Rangoon a week after His Majesty's ship *Champion* had sailed with despatches for Calcutta. I returned to Calcutta, took in coals, and was on my way down the river, when the *Champion's* boat passed me with the commander, who had left her at Sauger Roads. My speedy arrival with the duplicate despatch of the treaty of Malown, which I delivered on the 5th day after leaving Rangoon, prevented the government an expense of 6,00,000 rupees, by arresting the march of troops from the Upper Provinces, the execution of new contracts for stores and provisions, and the hiring of transports.

1691. Were repeated voyages made from Calcutta to Rangoon?—Yes.

1692. How many did you make within any certain period?—Between the 7th of January 1826 and the 20th of the following September, I made six voyages between those places, and a voyage to Chittagong and Akyab; the intervals were employed in river service; but political circumstances requiring that the *Enterprise* should be kept in momentary readiness for despatch, the little repairs and adjustments which had become necessary from 13 months of uninterrupted employment could not be permitted to be taken in hand, and continued to accumulate in number and to increase in magnitude, until, on the 20th of September, the slides, valves and cocks were so much out of order, as to render the engine incapable of forcing the vessel against the tide of the river, and she was placed under a repair, which in England would have occupied at the utmost one month, but which was not completed before the 20th of the following March, a period of six months. The *Enterprise* was afterwards employed principally in conveying troops and stores between Calcutta or Madras and the Tenasserim Provinces or the coast of Aracan; in the conveyance of treasure, and in towing the Company's ships and transports to and from sea. Between the 7th of January 1826 and the 18th of April 1829,

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she made 52 communications between different ports, conveying 1,970 troops and other passengers, 2,000 tons of stores; she towed 18 ships to and from Calcutta, and His Majesty's ship *Herald* from Calcutta to the south end of Ceylon; she went over a distance of about 28,600 miles. The average of her speed under steam was $4\frac{3}{4}$ miles per hour; the average cost of coal about 3 s. per mile; her voyages were generally performed in six days from Calcutta.

1693. What would have been the average period for sailing vessels?—Three weeks.

1694. Is a steam-boat now employed by the Indian government for making voyages between Calcutta and Rangoon?—There are three employed whenever they are required; they are in constant readiness.

1695. Did you go up the Ava River or the River Irrawaddy?—Yes, as high as Rangoon; there was water for a vessel of the *Enterprise's* draught a short distance above it, but only a short distance; the *Enterprise* required too much water for inland navigation.

1696. Are those all the voyages you performed in the *Enterprise*?—No; my principal employment was between Calcutta and Rangoon during the Burmese war, and until the whole of the troops had been removed. I was afterwards employed between Calcutta and Amherst.

1697. Is that a good harbour?—Yes, a very good anchorage; it is a dangerous one to enter, but there is a river in which ships might find very good shelter, a river that runs out of Amherst harbour, with five fathoms water; it has a bar with one fathom at low water spring tides, the rise is 19 feet full and change.

1698. Is the Salween River navigable for steam vessels?—Yes, the Salween is navigable to Molmeine, but not for the *Enterprise*; for vessels drawing not more than 10 or 11 feet it is navigable.

1699. Was the *Enterprise* employed at all in conveying troops or towing vessels?—In conveying troops and followers; the largest number of troops that the *Enterprise* ever embarked was 210 pioneers, with officers, from Madras to Amherst; the passage was performed in 10 days, and she embarked upwards of 50 tons of cargo in addition (of commissariat stores principally); she was employed upon one occasion to tow His Majesty's ship *Herald*, with Lord Amherst on board, from Calcutta to the south end of Ceylon.

1700. At what rate were you able to proceed with that vessel under tow?—At five and six miles an hour, according to circumstances, as the winds were light or strong; in a dead calm, six miles an hour.

1701. How many tons was the ship that conveyed Lord Amherst?—A yacht, I fancy, not more than 400 or 500 tons. The *Enterprise* in 1829 conveyed the present Governor-general from Calcutta to Penang, and the island of Singapore, to Tenasserim, to Achiab on the coast of Aracan, and back to Calcutta.

1702. How many days were you going to Singapore?—From Calcutta to Penang eight days, from Penang to Malacca 30 hours, and from Malacca to Singapore 20 hours.

1703. In what time do you conceive the voyage might be performed from Calcutta to Singapore direct in a steam vessel?—In 10 days.

1704. In how many from Singapore to Canton?—In 10 days.

1705. Have you any account of the time which has been taken by a vessel which has gone to Canton lately?—I have not; but she towed a vessel and sailed part of the way; but I speak of a vessel which is fitted for the voyage; the *Enterprise* would not do it in the time I have mentioned. For particulars of the steamer *Forbes's* voyage to China, I will refer the Committee to a book compiled by Mr. Prinsep, by desire of the Governor-general; that book contains extracts from official documents, and Mr. Prinsep had the best aid of all the public officers in any way connected with steam navigation.

1706. Have you any particular observation to make on the voyages you performed in the Bay of Bengal after your arrival at Calcutta?—I consider that the *Enterprise*, though very ill adapted for making a voyage from England to India, or for making a voyage from Bombay to the Red Sea, or generally between Calcutta and Madras, was perfectly adapted to the service in which she was generally employed, that of conveying troops and stores between Calcutta and the Tenasserim provinces. Her great capacity enabled her, in addition to a supply of coal for the voyage round, to carry a large quantity of stores, and a number of troops or other passengers; and being seldom opposed to strong winds, the course between Calcutta and Tenasserim being nearly south-east and north-west, and the monsoons blowing at

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at right angles with the course, enabled the vessel generally to avail herself of sail in addition to the steam, and to perform her voyages with certainty and with a fair speed.

1707. Are there any peculiar circumstances in the Indian seas that attracted your notice, which would render the use of steam navigation more applicable or otherwise than elsewhere?—I think that for government purposes steam-vessels are peculiarly serviceable. In the Bay of Bengal and the dependencies of that presidency, calms are very prevalent, and the passages in sailing vessels very uncertain; it frequently happens also that Hindoos, who have a great aversion to embarking on board ships, are required to be transported from one port to another, and owing to the shorter period of the voyage in a steam-vessel, they have less objection to embark in those vessels. The speed and certainty with which a voyage in a steam-vessel is made, is also a circumstance calculated to give greater effect to any expedition that it may be necessary to undertake.

1708. Does not the disposition of the islands on the eastern coast to the Bay of Bengal, render steam navigation extremely useful?—The intricacies of the passages between the islands, and the uncertainty of the winds, is rendered much less inconvenient by the employment of steam to a government where time is frequently of the greatest consideration; it is the most economical means of transport, either for stores or for troops or officers, that can be employed. The commissioner on the Tenasserim coast has to visit stations distant from each other more than a week or 10 days' sail in a common vessel, whilst in a steam-vessel he may be conveyed from one extreme of the province to the other in the course of a night. Sir Archibald Campbell declared to me, that he considered a steam vessel capable of embarking 200 men, might on the coast of Tenasserim dispense with the presence of five companies of troops at different points.

1709. What fuel did you make use of in the voyage you made in the Bay of Bengal after the termination of your first voyage out?—Burdwan coal principally.

1710. Is that of good quality?—It answers very well for steam purposes, but is not so strong as the best English coal. I once was supplied with New South Wales coal, which did not answer so well as the Burdwan. I do not mean to condemn the New South Wales coal generally, for I believe there are several varieties of it, as of the English coal.

1711. Will the Burdwan coal answer, generally speaking, for steam-engine purposes?—Generally speaking, it answers very well.

1712. Whence does the indisposition of the Hindoos to be on shipboard arise?—Their religion does not permit them to cook while on board; they must live on parched rice and sweetmeats; their religious prejudices subject them to other inconveniences and privations.

1713. What was the monthly expense of keeping up the *Enterprise* while you commanded her in India?—When I tendered the *Enterprise* for sale to the Bengal government, I stated her expense would be 13,000 or 14,000 rupees a month, including every thing. I reduced the expense of the *Enterprise* to 3,500 rupees a month, exclusive of coals, and the wear and tear and the repairs; 3,500 rupees a month was the amount of salaries and provisions; of this sum 500 was an excess of salary granted to the commander under peculiar circumstances.

1714. Is there any remark you would wish to make as to the expense of the *Enterprise*, which might be rectified in any other vessel?—I believe that the expense of the establishment of steam vessels in India may be very considerably reduced; at present, engineers are sent out at a very enormous expense, not less than 1,000 *l.* a year to each sea-going vessel; the repairs also that become necessary, owing to the want of an efficient establishment, are done at an advance of from 50 to 900 per cent. upon English prices; the time also which is required for performing any repair is one of the most expensive portions of the outlay. I believe that if the most respectable engineers were selected, and raised in their situation on board the vessels to the rank of the master, their services might be obtained at much lower salaries. The jealousies detrimental to the service, but which now without one exception subsist between the mates and the engineers, would cease, and the latter, relieved from the drudgery connected with the engines, would be required only to superintend; the work would be more efficiently performed, and their health would remain unimpaired; they would be less exposed to the temptation of relieving exhaustion by a recourse to stimulating drinks. One engineer of the first-rate class, instead of two in each vessel, would, under such an arrangement, be sufficient, and under him three men might be employed, selected or trained up

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from amongst the half-castes or natives of India, to drive the engine and to do the laborious work; by training the natives, and particularly the half-caste population, as working mechanics, more efficiency would be ensured in the different mechanical establishments; the work would be executed more promptly, more efficiently, and at a much cheaper rate than it now is, and steam navigation might then be conducted in India at little more expense than it is in England.

1715. You have now stated the whole of the services which were performed by the *Enterprise* while under your command, have you not?—I have stated the nature, and I believe nearly the whole of her services, but she was not constantly employed.

1716. Do you believe that under improved arrangements a voyage from England to India may be accomplished with greater success?—I certainly think it may. Were a communication to be established with India, I should recommend the employment of vessels of the first class of speed; they should not carry more at the utmost than 10 days' coal, and the depôts for that article should be so arranged as to leave not more than 1,200 or 1,300 miles between any two; they should also be chosen, where possible, in such situations as would admit of a vessel or hulk being moored alongside, of which the steamer might lay to and receive her coals, otherwise the loss of time necessary to convey them in boats, would defeat the possibility of accomplishing the voyage within a moderate period.

1717. Where would you propose to make your depôts of coals?—I should place my depôts in different directions, so that they should be available under all circumstances of wind, that if a steam vessel could not conveniently approach one she might bear up for another. I should have depôts at Lisbon, at Madeira, at one of the Canary Islands, at Cape Verd, Cape Palmas, Ascension, St. Helena, the island of St. Thomas, at St. Philip de Benquil, at the Cape of Good Hope, in Algoa Bay, Port Dauphin, Isle of France, at Diego Gaida, Pono Molubque (if anchorage for a hulk can be found at that place), Point de Galle, at Trincomalee, at one of the Andaman or Nicobar Islands, at Madras, and at Calcutta; and in the passage to Bombay it would be necessary to have one at Delgoa Bay, at Joanna. at the Seychelles, Cochin, and at Bombay.

1718. To how many days would the voyage to India be reduced, supposing all the circumstances alluded to in your former answer were most favourable?—I believe to not less than 80 days; that will require an average of more than seven miles per hour, exclusive of all stoppages for coal, or for cleaning the flues, &c. But I must explain, that I am only supposing the case of its becoming expedient for government purposes to establish a communication with India by the way of the Cape of Good Hope, at whatever expense it might involve, for I am thoroughly convinced that the communication between England and Calcutta, under the existing state of steam navigation, can never be accomplished but at a heavy sacrifice, but that when the exigencies of Government shall require such a communication to be established, it may be done; and I believe it will be best done by the employment of such steam vessels with numerous depôts.

1719. Will 80 be the minimum, or a fair average for such a voyage?—I think 80 is the average.

1720. What do you think the fair average to be at present for a sailing vessel?—One hundred and twenty, or 130.

1721. You consider probably that steam navigation could, under no circumstances, be rendered applicable to any other purpose than that of conveying letters and passengers?—Certainly to no other; but there is another means by which a quick communication may be established with India by way of the Cape of Good Hope, one which I had in contemplation eight or nine years ago; that was, to fit a steam-engine of 30 horse-power into a fast vessel of 600 tons, to use it only as an auxiliary to move the vessel through calms, and such an arrangement would take from her capacity for cargo about 100 tons. I feel convinced that a passage might be made to Calcutta upon the average of between 85 and 95 days.

1722. Would such vessels be applicable to commercial purposes?—Yes, they would.

1723. In such a case, that vessel would take the fuel on board necessary for assisting her on the voyage?—She would, and the whole sacrifice, I think, would not exceed from 100 to 130 tons.

1724. Have you ever heard of a plan being proposed for fitting steamers into the long boats, and setting them to tow the ship?—I have heard of that plan, but there are two very strong objections to it: in the first place, it requires that the vessel

vessel which precedes should have considerable weight, or she would make very little impression on the vessel which followed; and in the next place, it would be desirable to get the vessel under the influence of steam as quickly as possible on the wind subsiding, but from the adjustment required for the getting this steam-engine into the long-boat, too much time would be taken in the preparation; I do not think that the plan would answer so well.

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Martis, 20^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

Lieutenant J. H. Johnston, R. N., Re-examined.

1725. HAVE you directed your attention to the navigation between Bombay and Suez by steam-vessels?—I have. Early in 1803 I printed a prospectus, advocating that route for a communication with England.

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1726. At what annual expense do you conceive a monthly communication between those places could be maintained?—From about 45,000*l.* to 50,000*l.* a year; but to accomplish it at such an expense it would be necessary to enter into new arrangements. Under existing circumstances it could not be done.

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1727. Describe what you conceive would be the proper arrangements?—I think it would be desirable to build vessels in England; they could be constructed of lighter materials, and at a cheaper rate than they could be built in Bombay. They would perhaps not last so long, but they would have greater buoyancy and more speed from the lightness of the materials, and they would in the end be less expensive, since within an equal time they would perform a greater distance.

1728. Do you believe it would answer to individuals to establish a communication on that plan?—I think it would ultimately pay as a mercantile speculation, but it must be well established before any returns could be expected.

1729. Do you not conceive it would be necessary to make some change in the law by which the postage of letters to India is at present regulated, in order to make it answer as a private speculation?—I think a privilege of charging postage might be granted; persons should not however be constrained to send their letters and incur postage by that route; but if it were optional, I think a great number of letters would be sent, though certainly not nearly so many as some statements exhibit. I believe the principal returns might be expected from the conveyance of passengers and packages. Under the present arrangement, communication is made with considerable difficulty. The depôts for coal are at too great a distance from each other, and the only vessel employed on that service, the *Hugh Lindsay*, when she leaves Bombay, is so overloaded, that her speed is considerably reduced. To establish communication advantageously, it would be desirable to have a vessel capable of carrying not more than seven or eight days' coals, with stations at a distance in no case exceeding 800 or 1,000 miles. The first station at Ashtola, a distance of about 600 miles from Bombay; the second at Curia Muria, 735 miles from the latter place; the third at Babel Mandel, 766 miles from Curia Muria; the fourth at Judda, about 600 miles from Babel Mandel. With such an arrangement, no depôt would be required at Cosseir; and if at each of these stations a hulk of 600 or 700 or 1,000 tons were moored as a coal depôt, a few hours only would be required to replenish the fuel, clean the boilers, and sweep the flues. In the *Enterprise*, on the voyage to India, this operation was frequently performed in six hours from the time of stopping the engine until it was started again; much time would be economised by such an arrangement, the coal would be subjected to less waste, and would be consumed on an average at from 4*l.* 10*s.* to 5*l.* per ton, and probably at 6*s.* 6*d.* or 7*s.* per mile. The term of the voyage from Bombay to Cosseir, or to return, would average about 22 days. The vessels should be 350 tons, propelled by engines of the united power of 120 horses. The station at Ashtola is only intended for convenience when making a passage against monsoon with a fair wind or in moderate weather. The direct course between Curia Muria and Bombay must be pursued.

1730. How would British trade with India be effected by a ship canal, uniting the Red Sea with the Mediterranean?—I think not materially; as respects the

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conveyance of merchandise to Great Britain, voyages would generally be longer by such a route to any of the British ports than by the Cape of Good Hope.

1731. Why so?—The passage up the Red Sea is generally tedious, and during nine months of the year, between Cosseir and Suez, the northerly winds blow with considerable violence. The voyage from that part of the Mediterranean with which the canal would communicate would also be a tedious one to the coasts of England.

1732. Could not the vessels be towed by steam-vessels?—They might for a certain distance within the Red Sea.

1733. Would not that remove the difficulty?—I think not entirely; during the whole of the south-west monsoon, the voyage to the Red Sea would be very much protracted.

1734. But in other seasons might not the trade be carried on by means of a ship canal without any material delay?—In the favourable season during the north-east monsoon, the passage might be made quickly.

1735. How long does the north-east monsoon last?—From October to April.

1736. Do you not conceive then, that during those months from October to February, it would be practicable to carry on the trade of this country with India by means of a ship canal across the isthmus?—That portion of it which proceeds from Bombay might reach England during those months in five or six weeks' less time than by the route of the Cape of Good Hope; but I think that British trade would be likely to suffer by such a communication, from the advantages that would be given to other nations, if the canal were not exclusively for the use of British shipping.

1737. Has your attention been directed to the interior navigation of India by steam-vessels?—It has. By desire of Lord William Bentinck, immediately on his arrival in India, I reported on the practicability of navigating the Ganges by steam-vessels, and afterwards made an experimental voyage, the result of which was satisfactory. The Précis which I printed for the information of the Court of Directors, and of which this is a copy, contained a summary of the different voyages that have been made by steam-vessels on the Ganges.

1738. Do you consider that there are any articles, hitherto unattainable in the remote provinces of the empire, in consequence of their perishable nature, which might be brought into consumption by means of the introduction of steam navigation in the Ganges?—I believe there are many articles of that description.

1739. Will you state what they are?—Almost all the eatables which are sent from Europe would be conveyed to the Upper Provinces in a state of high preservation; their arrival in a fit state for consumption has hitherto been very precarious.

1740. Will you specify some of the articles?—Cheeses, hams, preserves of different descriptions, and beer, sadlery, stationery, hats, silks, and many other articles which in that climate sustain injury from a protracted voyage. The consumption of all articles of import in India would be much increased by a ready and expeditious means of conveyance to the Upper Provinces; the quicker returns to the merchant would much more than compensate for a small increase of freight on the most bulky articles; on small and light packages the freight would be less in a steam-vessel than the present charge of Dawk Bhangy.

1741. Is the consumption of beer extensive?—Yes, it is very considerable.

1742. Can you state what it is?—I cannot.

1743. Is it consumed by the natives?—No; by Europeans and the descendants of Europeans.

1744. Is it taken out from England?—Yes.

1745. Do they grow hops in India?—No; beer is not made in India.

1746. Do you conceive that steam navigation might be made applicable in the silk, the opium, or the Indigo trade, for the purposes of conveyance?—I think when steam-vessels are established on the river, advantage will be taken of them to convey those goods; but steam-vessels are not required so much for the conveyance of goods from up the country down the stream, as from Calcutta to the interior. Being established, they would be employed for those purposes, but their advantage over the common country boats in descending the stream would not be very great.

1747. What is the amount of the government demand for water-carriage?—I should suppose to the extent of between 30,000*l.* and 40,000*l.* a year, exclusive of the expense of escort for treasure.

1748. On the rivers or by sea?—On the rivers.

1749. How

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1749. How has that been usually supplied?—By means of the native boats.

1750. What is the difference between the expense of a native boat and a steam-boat?—The expense of a steam-boat would be somewhat greater than that of a native boat; the saving would be in the time that is occupied.

1751. Will steam navigation on the whole reduce the pecuniary expense of the government for water-carriage?—I think it will very considerably reduce the expense, by reducing the quantity of tonnage required.

1752. Have you formed any estimate of what extent that reduction might be carried to?—It is impossible for me to form an estimate of that nature, not being aware of the expenses of the government for their depôts of stores, which with the means of rapid transit might be dispensed with, nor of the extent of the reduction that may be made in the strength of the army from the additional value that would be given to the armed force of the empire by such locomotive means at command.

1753. Have you been employed since you returned to Europe in examining the boats used for the navigation of the Rhine?—I have been on the Rhine, the Rhone, the Seine and the Soane, and I have examined the boats on those four rivers.

1754. Did you find any that would answer for river navigation in India?—None that could be taken as models for the construction of boats for the India rivers. The boats on the rivers on the Continent draw more water than is admissible for the navigation of India, which must be limited as nearly as possible to two feet.

1755. Is that the only difference between the river navigation of the continent of Europe, and that which is proposed for the rivers of India?—The Rhine and the Seine admit of boats of considerably greater draught than could possibly navigate on any of the rivers of India with advantage. In the Rhone they have endeavoured to construct boats of the lightest draught, but the draught has not been reduced under three feet, in boats carrying 30 or 40 tons of cargo. The navigation of the Rhone approaches more nearly to the rivers of India than any other river of the Continent; its currents fully equal, if they do not exceed, in rapidity those of the Ganges, and the difficulties are of a similar nature generally, and in some instances greater than those of the Ganges, arising from the shoals in the Rhone being generally of hard stones and detached rocks, whilst those in the Ganges are of accumulated sand, loose and easily dispersed. On the Soane, boats of very light draught are employed, the draught not exceeding 18 or 20 inches, but their capacity and their speed are also very small. On the Soane, also, steam-boats are employed to tow cargo boats in the same manner as is proposed for the rivers of India, but their speed does not exceed five miles per hour.

1756. Is it contemplated that private individuals or private companies will engage in the steam navigation of the rivers of India?—I believe after steam navigation shall have been well established by the government, it will be found so profitable that private individuals will be glad to embark in it, and to supply the government demand, a measure which I consider will be advantageous both to the government and to individuals.

1757. Are there now steam-vessels belonging to private companies in India?—There are four steam-vessels.

1758. Do they yield a profit or pay their expenses?—No, they do not do either.

1759. To what do you attribute that?—To the heavy expenses attending the repairs of machinery, and the delay in effecting those repairs.

1760. What are the causes of that heavy expense?—The high price of mechanical labour, and the want of efficient establishments for effecting such repairs.

1761. Do European mechanics who go out obtain very high wages for their labour?—Europeans are not capable of labouring in India; they can only superintend. The climate would destroy them in a short time were they under the necessity of earning their livelihood by bodily labour; those who are employed as superintendents generally receive very high salaries.

1762. Does the institution of castes among the natives contribute to increase the expense of mechanical labour?—In a certain degree it does.

1763. In what way?—The different castes of natives observe a great many holidays, which interfere very much with their labour; they also are contented with such simple food and little raiment, that the slightest circumstance is an inducement to them to neglect their labour.

1764. Do you mean by that they are indifferent what money they make?—Yes, they seldom save money, and care not to earn beyond their necessities; but they will exact the highest price they can obtain for the small labour they give; the

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strongest persuasion will scarcely induce the labourer to extraordinary exertion, and to the offer of double wages to work beyond the usual hours he will in general not readily consent; or if it rains hard he will not attend his work, neither will he willingly quit his meal, nor forego his rest, for money.

1765. Do persons of different castes working together observe distinct holidays?—Different castes seldom work together; they are found working in the same factories, and each observes the holidays of the other as well as his own. The Mussulman observes his own holiday and those of the Hindoo, and the Hindoo his own and those of the Mussulman also, and both are ready to observe those of the Christian. There are other causes which in Calcutta contribute to the expense of mechanical labour, arising from the great distance at which most of the workmen live from the factories at which they are employed, many of them residing at a distance of 8 or 10 miles, so that they seldom arrive at their work until nine o'clock in the morning, and quit it at four in the evening; this in Calcutta is considered a day's work. Having come so great a distance, they are fatigued when they arrive where their duties are to be performed; and one reason of their living at such a distance from their employers is to escape the town duties which are levied on provisions. I have been speaking of the labourers about Calcutta, and within metropolitan influence.

1766. How do you consider that the difficulty arising from that expense may be overcome?—By giving encouragement to and by employing the Indo-British, commonly called the half-caste population.

1767. What do you mean by giving encouragement to them?—By training them to mechanics, by the establishment of societies for apprenticing them. There is an Apprenticing Society and a Marine School Society instituted by Mr. Lloyd, but the funds are not very extensive, depending on voluntary contributions, and all the encouragement is not given to the half-caste population which might be by the European tradespeople.

1768. What is the general employment of the Indo-British, commonly called the half-caste population?—They generally employ themselves as indigo planters, as assistants in factories, in cotton, sugar, and indigo plantations, and principally as writers in the public offices, and in the offices of the European merchants.

1769. Are they better mechanics than the whole-caste people?—But few of them have ever been induced to apply themselves to mechanics, but those who have done so have discovered considerable ability, and may be considered as nearly equal to Europeans, both in the quantity and the quality of their work. Where they have been prevailed upon to apprentice themselves to handicrafts, they have given general satisfaction to their masters; and the reason assigned to me by some of the European tradespeople in Calcutta for not engaging half-caste lads as apprentices was, that when they had acquired a knowledge of the craft they would supersede them in their business; several instances of such having been the case, were cited to me both in Madras and Calcutta; and I am induced to believe that the half-caste population might be brought forward as mechanics with very great advantage, from the reports and the communications which have been made to me of the government school of artificers established at Madras.

1770. Have they any mechanics' institutions established at Calcutta?—They have not at present any; but a short time before I left Calcutta I submitted a proposal to the Governor-General for the establishment of a school for engineers, of which his Lordship approved, but deferred acting upon it until the result of my mission to the Court of Directors should be known; the government however sanctioned my apprenticing to one of the engineers two lads selected from the marine boys; of these, since my arrival in England, I have had a most satisfactory report from the engineer, who states that they can drive the engines.

1771. Do you consider, in consequence of the difficulties and expenses to which you have adverted, that if steam navigation is much extended in the rivers of India, on account of government, it will be necessary for government to maintain large and expensive establishments for that purpose?—No, I do not; I believe that if the native population are trained to mechanical labour, in a very short time machinery may not only be repaired, but be manufactured, in India at nearly as cheap a rate as it can be in England. The new Mint which has lately been established must in the course of a few years contribute very materially to the facilities of the general repairs of machinery.

1772. Do you consider that the natives of India are disposed to avail themselves of steam navigation for the purposes of commerce or of conveyance for their persons

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or goods?—I think that many of the natives will be induced to take advantage of the opportunities that would be offered by the steam vessels of ascending the rivers to the different stations, and that they will find their advantage in conveying their treasure by those means.

1773. Do you know anything of the coal which is to be found in the Persian Gulf?—I have not seen any of that coal; I have heard it is of a very indifferent description, but I suppose, like other coal, it will improve as the shafts are sunk deeper.

1774. Is it not said to be superior to the Cutch or Burdwan coal?—I have not heard that it is.

1775. Do you know of any other place except the Persian Gulf, Cutch, or New South Wales, from which coal could be procured?—Coal has lately been extracted from a mine open near Bhaugulpoor, on the river Ganges.

1776. How far is that from Burdwan?—Three hundred miles.

1777. Is that found to be of good quality?—I have received a report upon that coal, and it is now before some persons who are conversant with the nature of coal. It has been described by Mr. Ward, the Resident at Bhaugulpoor, and from the description, I should suppose it was equal to the Burdwan coal, and as the first quantity has been taken from the surface, we may hope, as we proceed deeper, the quality will improve.

1778. Do you know whether any coal is to be found in Madras or Ceylon?—I have heard it surmised that there is coal in Ceylon. I have not heard of any in Madras. In Bengal there is abundance of coal on both sides of the river.

1779. Are you not aware, notwithstanding the abundance of coal said to exist in Bengal, that it has been more cheap to send out coal from this country to Bombay, than to obtain it from Bengal?—It arises from this circumstance, that the demand for coal at Bombay has hitherto been limited to a quantity which has not exceeded that which ships are obliged to carry out as ballast, and which they therefore can afford to deliver at a lower price than coal could be conveyed to Bombay for, paying freight from Calcutta.

1780. Do you conceive that when the demand is extended, it would become preferable to consume the coal of Bengal?—It is a matter which requires some consideration. There is an advantage in sending coal from England. The best English coal is, in proportion of strength, to the best Bengal coal, as five to three; and beyond the price at which it would be supplied, there would be considerable advantage in the weight that a steam-vessel would be obliged to embark to perform a voyage of a given distance.

1781. Is there coal in China?—I have heard that there is, but I believe it is of a very inferior quality; what has hitherto been produced in China is very slaty.

1782. Is there coal at Singapore and Malacca?—No coal has been extracted there. The coal at Singapore and Malacca has generally been brought from New South Wales.

1783. Is there coal in the Burman empire?—It has not been extracted. There is known to be coal in the Burman empire.

1784. Is it known of what quality?—Of a very good quality, judging from the coal found in Assan.

1785. Is the coal of Assan within our territories?—Yes.

1786. Why has not that been worked?—The expense of conveying it to the boats was found by Mr. Scott to be greater than wood could be procured for, as wood is there in great abundance, and is excellent for steam purposes. The only objection to the use of wood is the space which it occupies in the vessel.

1787. Is there supposed to be coal in the Tenasserim provinces which have recently been ceded to the British Government?—I am not certain there is coal, but I think coal would be found on some of the hills. I discovered black slate much resembling coal in such situations.

1788. What do you consider a steam-boat may be navigated for per month, of the size of those which are at present employed in the service of the government; take, for example, the Enterprise?—The Enterprise's monthly expenses are now about 3,000 rupees.

1789. Including fuel?—No; without fuel. The expense of fuel depends entirely on the voyages that are performed, the distance she has to go, and whether it is necessary to take in coal at a distant port.

1790. Three thousand rupees a month is altogether exclusive of fuel?—Yes.

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1791. Is not fuel the heaviest article of expense?—Yes, it is. I can produce some very satisfactory statements on the subject of the expenses of the different steam vessels, which I submitted to the government of India, in order to reduce the expenses, and to show that the services which the steam vessels had performed were quite equal to the expenses they had incurred.

1792. Can you say what the expense of coal is per mile for the *Enterprise*?—Coal is now delivered in Bengal at six annas per maund, it was eight annas, but it was reduced at the last contract, and is now at six annas the maund, that is, 9 *d.* a bushel, and the consumption is about two bushels a mile, or about 1 *s.* 6 *d.* The consumption of coal taken in at Calcutta is 1 *s.* 6 *d.* to 2 *s.* per mile, but if it is taken in at Penang, or the coast of Tenasserim, the expense is more than double.

[The witness handed in some books, containing a statement of the expenses of the different steam vessels employed by the government in India.]

Sabbati, 24^o die Martii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

Thomas Bracken, Esq., called in; and Examined.

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1793. YOU are a Partner in the house of Alexander and Company, in Calcutta, are you not?—I am.

1794. How do you reconcile the fact of the great increase of trade which has taken place since the last charter, with the predictions made by many persons of considerable information that no such increase could possibly take place?—I think it originated, in a great measure, from the persons who gave their evidence on that occasion not being personally acquainted with commercial matters; they were almost all gentlemen in high judicial or revenue situations, and not very conversant with the nature of commerce. I think there was some apprehension also on the minds of those persons, that if a trade by individuals was carried on to any great extent in India, it would be followed by a great introduction of Europeans, and that the Europeans being in India would lead to the expression of great doubts on the policy of the present system of government in that country.

1795. Is the consumption of British manufactures confined to any particular class of the natives, or is there any prejudice from religious scruples in their minds against the use or wear of any articles of that description?—No, I do not think there is the slightest objection on the part of any native in India to use articles of British manufacture. The only check there has ever been has been from the want of means to purchase them, not from any prejudices against the use of them; on the contrary, many articles which might be supposed to be entirely excluded by their prejudices, they use to a great extent. I allude particularly to liquors, which in Calcutta are now consumed in large quantities by natives who can afford to purchase them.

1796. By whom are the large exports of cotton to that country chiefly consumed?—Almost entirely by the natives, for the cotton piece-goods are immediately turned into clothes for their own use; the cotton twist is worked up for the same purpose; the lower numbers into the very coarsest kinds of cloth. I do not think the English manufacturers have yet been able to compete in those descriptions.

1797. What prospect is there, in your opinion, of extending the consumption of British manufactures in India?—The great difficulty at present existing to the extension is the difficulty of procuring returns. I think the attention of the Legislature should be directed to every means of improving the condition of the natives of India and its internal resources, so as to enable them to pay for the manufactures of this country. The returns in produce for manufactured goods are now very much less than the importation, and the consequence has been that large bullion remittances are necessary to pay for them.

1798. If the remittances required to be made in this country were attempted to be effected through the agency of private mereantile houses, do you think those houses would, from the smallness of their number in Calcutta, have it in their power to combine and to influence the rate of exchange in a manner prejudicial to the government?—I do not think the number of houses in Calcutta is sufficiently small

to

to produce anything like a combination. There are now, I think, 30 or 40 having different interests, and I do not consider it probable any combination would take place; but if it were to take place, government could always check it by remitting in bullion. They could always have recourse to a bullion level, as a check against a lower exchange.

1799. Do you think it likely there would be such a combination?—I do not see the slightest apprehension of it, there are so many houses, and the interests are so various.

1800. Do you think it more likely, that instead of a combination there would be an active competition among them to supply the remittance?—I think there would be more likely to be a competition than a combination; and, independent of the European houses, there are several native establishments which transact a great portion of the American business. They have all means of remittance at their disposal; one or two did command very large capital. The Americans do not employ the English houses much, but they employ the natives, in consequence of their doing their business cheaper. These natives constantly take American bills, which they sell to the houses of agency, and it would be within the power of government to purchase those bills also.

1801. Will you state the origin, and the peculiar features, of the present commercial system in Calcutta?—The commerce of Calcutta was in the hands of a very small number of houses before the opening of the present charter; previous to that time the houses were chiefly formed of gentlemen who had been in the civil and military services, who, finding their habits perhaps better adapted for commercial pursuits, obtained permission to resign their situations, and engage in agency and mercantile business. They had of course a great many friends and acquaintances in their respective services, and from those gentlemen they received their accumulations. They lent them to others, or employed them themselves, for purposes of commerce; they were, in fact, at first the distributors of capital rather than the possessors of it. They made their profit in the usual course of trade, and by the difference of interest in lending and in borrowing money, and by commission. In the course of time, carrying on a successful commerce, many became possessors of large capital, and returned to this country, leaving most part of it there; but the persons who succeeded generally came in without capital of their own, the same system being continued, and those houses became the usual depository of a great portion of the savings and accumulations of the military and civil services in India.

1802. Those savings were, in fact, employed as their capital in trade?—Yes, that was the origin of the houses in question. When there were very few houses of business, very large fortunes were made by some gentlemen in them. After the opening of the trade other houses were established, connected more particularly with Liverpool and the out-ports, and that spread the business a great deal. The older houses have not now the same monopoly, if I may so call it, which they had before.

1803. The houses of agency do now, in fact, carry on three branches of business, agency, banking, and general trading, do they not?—The whole of the houses do not; there is only one house which carries on private banking now; the house to which I belong has had a bank attached to it for 60 or 70 years; we are now the only bankers who issue notes.

1804. Do not the other houses receive deposits, pay drafts, and discount bills?—Yes, they do; but they do not issue bank notes.

1805. You say that some native houses do the business cheaper; what is the nature of the business done, and the charge for agency generally made by the native houses and the English houses respectively?—I think there is a difference of very nearly one-third. The English houses would charge probably two and a half per cent. on the purchase of an investment, and the native would not charge more perhaps than one and three-quarters per cent.

1806. If the native houses are in good credit, and do their business cheaper, will not the greater part of the business ultimately fall into their hands?—It is only a particular branch of business, and is, more strictly speaking, carried on by native brokers rather than native houses, and confined almost exclusively to the American vessels. I do not think there is any other business of this description conducted by natives in Calcutta.

1807. Why do not the Americans make their returns in goods instead of send-

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ing home bills?—It is with bills they provide their cargoes. They are the sellers of bills, and purchase what they want with the proceeds.

1808. What is the nature of the bills with which the Americans trade?—They generally bring out a letter from, perhaps, Messrs. Barings' house, or from Mr. Wiggins, or other houses in the American trade, which state that they will honour bills drawn upon them to a certain amount. A very large amount has been raised by the Americans in that way, probably two or three hundred thousand pounds in the course of a year.

1809. You state that the export trade could be carried to any extent if there was a sufficient return; why then do not the Americans increase their export trade?—It is a subject of consideration of course with an American, whether it is better to make his remittance to Calcutta in bullion, in bills, or in merchandize; one reason why he does not perhaps bring merchandize is, that it is subject to double import duties to that brought by British ships; but they do bring of course sometimes merchandize, and even English merchandize; but the relations of trade between India and America are not the same as between India and England; and there would still be the same difficulty as to returns.

1810. In what articles has the trade much increased since the renewal of the Company's charter?—Principally in cotton manufactures.

1811. If the cotton manufactures were excluded, would there then be an increase?—Yes, even excluding the cotton manufactures, it has increased; but the great increase has been in that branch.

1812. Can you state the amount of the increase, excluding the cotton manufactures?—No, I cannot speak to the exact amount.

1813. Have you seen a recent publication by Mr. Wilson, showing the exports and imports into Calcutta in 1828, and in each year from the commencement of the present charter?—I have.

1814. Does that state that, exclusive of cotton goods, there has been a general increase?—I do not recollect whether he enters into that detail: the impression upon my mind is, that he speaks of a general increase. I cannot at this moment say whether he speaks to particular articles which have increased or decreased; but of course there have been fluctuations.

1815. Is there much difference between the price of cotton goods in 1813-14, when the charter was renewed, and the present time?—They are very much cheaper now, owing to the influence of machinery in this country.

1816. If they had continued at the price at which they were when the evidence was taken before the Parliamentary Committees of 1812, could they have been introduced to any great extent into India?—I think the means of purchase would have been the only check to their consumption.

1817. The question refers to their comparison with Indian manufactures; could they have been introduced in competition with those manufactures, if the price had not fallen in a very great degree?—Perhaps not; but I conceive that the manufacturing power of this country was such as ought to have led people to suppose that it would, if there had been a new market, have had the effect of reducing prices.

1818. Do you think that any of those individuals who at that time gave evidence could have foreseen the extraordinary fall which has since taken place in the prices of all cotton goods?—I think that a person at that time should have given his opinion on the general principle, that all trade would find its level; that there was no necessity for preventing persons carrying on the trade, if there was no chance of English manufactures falling in price, or lower than native manufactures, for then of course there would have been no increased consumption; but it was a thing that should have been left to the course of trade: and I think that the evidence then delivered did not go so much upon the cheapness of production here, as that there was in India among the inhabitants a decided objection to use English manufactures.

1819. Do you think that there is any chance of the native houses of agency in Calcutta, engrossing from the lowness of their charges the whole of the trade; or were they to greatly increase their trade by lowering their commission, would not the European houses lower theirs, in order to compete with them?—Undoubtedly, if they saw any danger of losing their business from the difference of the rates.

1820. In the answer you have returned to the circular of the Indian Board, you express this opinion: "I have not taken into consideration remittances *via* Canton, because I doubt the policy of the Indian government relying on the China trade

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trade to provide the means, either directly or indirectly, of defraying any part of its territorial expenditure." Why do you doubt the policy of the Indian government relying upon the China trade for providing the means of defraying a part of its territorial expenditure?—Because I think that the East India Company, by having had the monopoly of the China trade, and deriving very considerable profits from that source, have neglected in some degree the economy that they otherwise would have practised in their Indian government.

1821. Have you any doubt that if the China trade was to be thrown open to Europeans, that one of the regular means of effecting remittances from India to Europe would be by consignments of Indian produce to China, and by the investment of the proceeds of such produce in tea for Europe, and by individuals drawing bills upon England for the proceeds of the tea?—I believe that that would be a channel of remittance; but in the way I have taken it, I am supposing that the trade being open between Canton and London, the exports and imports would equalize each other, and that there would be, therefore, nothing due to China by England, but China would still have to pay Calcutta for its opium; and the proceeds of that opium (the Chinese being great consumers of it, and continuing to consume it), even if all the tea sent was paid by the manufactures of England, would still be available to be returned to Calcutta, or sent on to England in bullion. Whatever facilities opium now affords as a remittance, would still be afforded. It would be only a matter of calculation whether it was better to send the value of it back direct to Calcutta, or to send it on to London.

1822. Do you think that if the monopoly of the opium trade was withdrawn, and the price considerably lowered, there would be a large increase of the sale of opium in China?—I believe a reduction of the price of opium, Bengal opium, would certainly lead to increased consumption; but in consequence of the Malwa opium now going in such large quantities to Canton, I have great doubts whether the Calcutta opium will extend so greatly as might have been expected. An impulse has been given to the Malwa trade, which I think is calculated to check very much the opium trade in Bengal.

1823. Although large consignments of Malwa opium are made to China, will not the government of India be able, from the low price at which they can manufacture the Bengal opium, to continue to realize a large revenue from it?—Unquestionably the present system produces a very large revenue to the government; but I think that revenue is likely to be interfered with by the competition of Malwa opium.

1824. Has not the Malwa opium coming into the market occasioned a great fall in the price of opium, and a large increase of consumption in China?—The increase of consumption I attribute entirely to the fall in price.

1825. Do you think that there would be a further increase of consumption of opium in China, if, by removing the monopoly, the price was to be still further reduced?—Yes, I quite concur in that view.

1826. Would not every measure having a tendency to open a market for the produce of India, assist in enabling that country to effect the annual remittance of nearly three millions sterling required to be made to this country?—Yes; any means which can be devised to find a market for the produce of India in any quarter, I conceive, will improve the powers of remittance to that extent.

1827. Do you think that if the China trade were thrown open to Europeans, and the opium monopoly discontinued, it would present a channel for regularly effecting a large amount of remittance from India to Europe?—I think it certainly would.

1828. Inasmuch as it would open a steady market for a large amount of one of the staple productions of India, would it not be beneficial to the inhabitants of India, by lightening the burthen of making remittances to this country?—It would, unquestionably.

1829. Are you aware that they are beginning to grow opium to a large extent in Java?—I saw that stated in the evidence, I think, of Mr. Deane, who was examined about a year ago; but I have no personal knowledge of Java.

1830. Are you aware that the consumption of Turkey opium still continues to increase?—That is, I believe, also increasing; but not at all to the extent of the Malwa opium.

1831. Is it your opinion that Malwa opium can be grown cheaper than Bengal?—I believe not so cheap, nor so good.

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1832. Would it be necessary for government to take off all taxation on the Bengal opium to allow it to compete with the Malwa opium?—No, not all taxation, I think if they were to substitute an excise or license, they might still derive a considerable revenue, and it might be shipped so as to meet the Malwa opium.

1833. Have you made any calculation of the revenue the government might derive from opium in that way?—No, I never entered into the details; but it has struck me, in consequence of the great fall in the Bengal opium, which has already affected the revenue, with the chances of a great supply of Malwa opium still continuing, that it would be necessary to adopt some measure in Bengal for that purpose; and I believe Lord William Bentinck had in contemplation the substitution of either a transit or an excise duty on opium, instead of monopolizing the growth of it.

1834. Would it not be difficult to prevent smuggling in opium, owing to its being valuable in comparison to its bulk?—I think the same establishment that is used for the purpose of checking smuggling now, might be continued at the same expense. I do not see myself any obstacle to the prevention of smuggling, arising from any difference as to whether it should be monopoly or excise.

1835. Do you think it would be necessary to have an increased establishment to prevent smuggling to a great extent?—I think not; but my opinion is only that of a person who has given a general attention to the subject.

1836. If any country, such as Java for instance, can raise opium at as cheap a rate as Bengal, and allows it to be exported to China free of duty, would not such opium engross the opium trade, and drive the Bengal opium out of the market?—If the cost of production in Java be less than in Bengal.

1837. Will it not, if it be equal, but not subject previous to exportation to the payment of any duty, and free from a monopoly?—If it comes to the consumer at a cheaper price, of course; but I am not at all aware of the price of opium in Java.

1838. Have there been twist mills established lately in India?—There have.

1839. What is your opinion as to the consequence likely ultimately to result from them?—I have very great doubt whether they will be able to compete with the cotton mills in England.

1840. Upon what grounds do you entertain such a doubt?—One reason is, that there is great difficulty at Calcutta at present in repairing the machinery employed, and any accident happening to it is likely to stop the whole. The cotton twist that has already been made at those mills of corresponding numbers with those sent out from this country, has not I understand been so much liked by the natives as the English: it bears a less value than the corresponding numbers from England. It may be a matter of fancy, but there is a prejudice in favour of that which comes from England.

1841. Is it likely that considerable establishments, such as foundries and others, will be set up in Bengal to meet the demands for machinery, which is now sent out to a large extent from this country?—Yes, it is no doubt for repairing machinery; I speak to that point with some degree of certainty; for a gentleman of the Madras civil service, Mr. Heath, who came home to this country, but is now returned to India, and who is connected with the house to which I belong, has set up a foundry at Porto Novo; and by a recent account which I have received, I am informed it has been just brought into operation, and that the iron cast there has been found to be of the very best possible description.

1842. Mr. Heath has gone to Madras with a monopoly given to him to a certain extent for the remainder of the present charter?—Yes.

1843. You state that the iron he makes proves to be good?—Yes; I saw an account very lately published of his attempts. We had intended at one time to establish Mr. Heath at Burdwan, immediately contiguous to our collieries, as there is a great quantity of iron ore in the vicinity, and the facility of having fuel on the spot seemed a great advantage; but Mr. Heath himself thought that the quality of the iron ore at Porto Novo was better than that at Burdwan, and there was a great supply of wood at the former place, and wood is preferable to coal for the manufacture of iron.

1844. Have you any account which shows the price at which he can manufacture iron which will bear a comparison with the iron from this country?—Much cheaper than the cast-iron sent from this country.

1845. He

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1845. He also expects to make steel equal in quality to Swedish steel, does he not?—He does; he has already, I believe, made knives and scissors, which have been considered by professional persons here equal to any from Sheffield.

1846. Do you recommend that he should manufacture the iron at his own foundry, or send it to Calcutta to be manufactured?—I rather think that he will find it better to send his iron to Calcutta.

1847. You have a water navigation up to Burdwan, have you not?—Not at all times of the year; for about four months in the year it is navigable to boats of the largest size.

1848. Are you aware of the vast and extensive establishments which exist at Glasgow, Manchester, and the neighbourhood of other manufacturing towns, for the sole purpose of making machinery, and the extreme nicety in the manufacture of it, upon which the perfection of cotton, silk and other goods made by it depends?—I am quite aware of the necessity of the extreme delicacy of the work; but I am not personally acquainted with the processes of making machinery.

1849. Do you think it probable that large manufactories will be established at Calcutta or other parts of India for the sole purpose of making machinery of a highly-finished description?—I think that will depend in a great measure upon the success of the Gloucester mills. Parties at present are scarcely likely to venture on such establishments, till they see whether the making of cotton twist or piece-goods in India becomes a profitable speculation or not. The Gloucester mills have a foundry attached to them.

1850. Will not much depend upon the quality of the cotton grown in India? Is not the cotton grown there of an inferior quality to that which is principally used in the manufactures of this country?—Unquestionably; but cotton may come from America to India; it has come in small quantities, and the cotton of the country has improved in some degree, and may improve more.

1851. Where is it in India that the wootz is principally manufactured?—On the coast.

1852. On what part of the coast?—I believe at Porto Novo; and somewhere on the Godavery there are native manufactories, but I am not quite certain as to the place.

1853. What is the extent of the coal-field at Burdwan; has that been ascertained?—No, the limit has never yet been ascertained; it is very extensive, quite extraordinary.

1854. In what direction is the field?—It is working now chiefly east and west; I think the field runs in that direction.

1855. What is the extent of the district possessed by the house to which you belong?—We have about four miles. The seam we are now working is very thick, about nine feet.

1856. Have you ascertained by a perpendicular shaft how many workable seams there are?—We have passed through a seam of about two feet; it was near the surface, and we did not think it good coal. The seam we are now working is about 90 feet below the surface.

1857. Does the seam extend nearly horizontally?—Yes; we have hitherto had no danger from fire-damp.

1858. How do you get rid of the water?—We have a small steam-engine there; it pumps the galleries out in about half an hour; it is principally rain-water.

1859. Has the coal proved good for all purposes in the manufacture of iron?—Not so good as English coal; the best kind of English coal I think better.

1860. Have you ever made coke?—We have; but it has been with difficulty. A gentleman more conversant than I am with the actual qualities of coal, gave it as his opinion that we should, by going a little lower, get a quality equal to any in England.

1861. Is it a cakey coal?—No, it burns to an ash.

1862. Did you ever turn your attention to the means of getting coal from New South Wales?—No, never.

1863. Do you think that has attracted attention in Calcutta?—No, not at all. We have another coal-field, nearer Calcutta, on the banks of the Hooghly. We have lately established a sugar manufactory on the West India process, and we found a vein of coal near the spot.

1864. How far from Calcutta?—It is at a place called Merzipore, about 40 miles from Calcutta.

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1865. What is the thickness of the seam?—That I am not acquainted with with certainty; it is about two feet, I think.

1866. How near the surface is it?—Close to the surface.

1867. Does the coal extend over a considerable tract of country in the other place?—Very considerable; there is a chain of hills and forests, which I have no doubt connects it with the new mine, though they are 150 or 200 miles apart.

1868. In the event of any great demand for coal for the working of steam-boats or steam-engines, would it be possible to improve the water navigation to bring it at a cheap cost to Calcutta?—If the coal-field I have latterly alluded to be as good as that we have worked for some time, there is a water conveyance, as it is on the Hooghly, which can be navigated at all seasons of the year; but I have heard of it only lately, and cannot speak to it particularly. In erecting the sugar-mills and in turning up some of the soil, they found surface coal appearing, which led to further inquiries.

1869. You have stated that there are about 30 or 40 mercantile houses now in Calcutta; how many of them do you suppose government could safely have bills on to a considerable extent, without having the security of goods?—I think there are very few that they could not; and there is little or no distinction between the credit of houses which have been more recently established, and of those which have been established for a longer period.

1870. Do you think there are 30 houses whose bills could be taken prudently if offered?—Perhaps from 20 to 25.

1871. Without any security but their own credit?—Yes; trade in all times and places involves some risk, but not more there than elsewhere.

1872. Suppose that the government found there was some difficulty in procuring from the mercantile community the bills they required, or that there was a combination among the merchants, how would they, if they were not previously prepared for such a case, get bullion sufficient into their own hands to meet their wants?—I conceive they must have the bullion in their possession in order to buy the bills; therefore that if they could not get bills on terms they might think advantageous, they would remit the bullion.

1873. That is supposing government to pay for the bills in bullion?—Yes.

1874. If the authorities at home were to draw bills on the Indian treasuries, and were to dispose of those bills in the English market, as one means of facilitating the remittances from India to England, do you think such a mode of remittance could be made use of to any considerable extent?—I think that if the restrictions were taken off the resort to and residence of Europeans in India, it is probable British capital might be transferred to India; in that case they certainly would be able to sell bills on India, as a mode of furnishing that capital in India.

1875. Do you not think that if such a mode of facilitating remittances was to be generally used, capitalists in England would be found to be regular purchasers of the bills, as a means of promoting the trade of individuals, and that it would become a branch of banking?—I think that would be a good deal influenced by the object to which I alluded. I do not think there would be any great demand for bills on India in this country, unless parties were desirous of transferring capital for the purchase of lands or other permanent investment in India.

1876. Is it not probable that individuals who want money in India would have letters of credit, as the Americans have in some instances?—That would depend of course on their calculations how they could do it cheapest; I do not know that in some cases it might not be more advantageous for persons in London to get a bill on the Bengal government than a letter of credit from an agency house; but credits have this advantage, that you do not take up money unless you want it.

1877. Taking the case of a large house like your own, do you not think that if such bills were to be had from the Company for money, they would become a regular article of traffic?—Unquestionably, for absolute remittances I think they would; they would have a general superiority in the market, from the credit of the Company.

1878. Is it your opinion that the indigo trade to Europe will much increase?—I do not think it will increase much beyond its present amount, unless there is any great increase of manufactures in this country, then indigo will become of course more in demand; but I think at present the supply of indigo is rather above the demand.

1879. Is not the Bengal indigo infinitely cheaper than the South American indigo?—

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indigo?—Undoubtedly; at the present prices, Bengal indigo will drive all others out of the market.

1880. Can the growers of indigo in Bengal afford to grow it at the price it is now at in this country?—I think the better description of factories can, even at the present prices; but it will only just pay them. It will not give any profit to an intermediate person; it will only pay the planter himself.

1881. You have given an opinion upon the silk trade in your letter to the Board of Control; can you say why individuals have not established factories in places where the Company have none?—The silk trade depends upon where the mulberry tree will grow. I have not a direct knowledge of the whole country, but I think the growth is confined to certain parts of Bengal.

1882. You think that the Company have established factories in every situation where it will grow?—Yes, in every eligible situation they have a large tract of country under the influence of their silk agents. I do not know where individuals could establish silk filatures without coming into competition with the Company.

1883. If the Company were to cease producing silk themselves, and were to offer to let their establishments, do you think they could find capitalists willing to take them, to pursue the silk trade as a business?—I have no doubt there would be persons enter into the silk trade; whether they would take the Company's filatures I cannot state, for the Company have built more expensive filatures than they might wish to purchase.

1884. Take them at rents equal to their value?—The Company's filatures are on a handsomer scale of building than a private merchant might think necessary; therefore, if the Company expect interest upon their outlay, that would perhaps stand in the way; but if the rent was such as a private merchant would be able to give, I think there would be no difficulty.

1885. Take it on the principle of an establishment being to be bought at a less cost than that which will remunerate the original undertakers?—The Company's agents live in very splendid houses, which cost a great deal of money. I have a brother in the service, who is acting commercial resident at Jungypore, and the house he lives in is positively a palace.

1886. You think that the establishments in which the Company conduct their silk business, are upon such a scale of magnificence as would be ruinous to individuals if they attempted conducting their business in a similar manner?—I do not think that any private merchant going into the interior to engage in the silk trade would think of erecting the sort of houses which the present commercial residents live in.

1887. If the Company were to withdraw from the business, have you any doubt that individuals would pursue it lucratively?—I think that the price of silk might be very much reduced by private competition and private economy, and that the silk trade would be greatly increased.

1888. Within how many years is it that no impediments have been thrown in the way of individuals going out to India to pursue the silk business?—I recollect a case about five or six years ago, or longer than that, of a gentleman not being able to go out to India in consequence of its being supposed he was going to embark in the silk trade; but that is an individual case. Other gentlemen have gone out for that purpose, but have returned to England, finding they could make nothing of it.

1889. Must not the circumstance, that only a few years have elapsed since impediments have ceased to be offered to individuals going to India, be considered one of the reasons why they have not engaged in the silk trade?—I think it may have prevented other persons going out.

1890. It is acknowledged at present that the Company's silk is better than that imported by individuals?—Unquestionably.

1891. Do you think there is any danger of its deteriorating, if it fell into the hands of individuals?—I think not; the price depending upon the care which the individual exercises in the production.

1892. Has it not often happened that quantity, instead of quality, has been the great object of speculation?—No; I am not aware that that is the ordinary principle in any mercantile speculation. In silk, too, I consider the quality of great importance.

1893. What do you think would have been the effect in this country on the state of the manufactures of cotton or woollen, if the government had engaged in them;

do you think it likely that those manufactures would be in a state of greater perfection than they are now, when they have been left entirely to the enterprise of individuals?—I am of opinion that all government interference is prejudicial. I do not think that a government can devote sufficient attention to such concerns.

1894. With regard to the trade of Calcutta with the East Indian Archipelago, can you state the present amount of that trade, and whether it is susceptible of any increase?—I cannot state its amount without reference to documents. I do not think there is any increase likely to take place between Calcutta and the Archipelago; it is likely rather to fall off, because there is a direct communication between England and those ports.

1895. Of what did the exports from Calcutta consist?—They used to consist of British manufactures sometimes, and the lower description of Indian cloths went down to Java in considerable quantities, but those are all getting intercepted by the British manufactures; there was also opium.

1896. Do you think, from what you know of the state of the native manufactures of China, there is a prospect of the British manufactures entirely superseding them, either by means of a licit or an illicit trade?—I have no doubt that the British manufactures would drive the China manufactures, or a great portion of them, out of the market, if greater facilities were afforded to persons trading there. In the article of cotton twist sent out to China, there has been a growing demand, and one proof of its being very acceptable to the consumers is, that the Chinese spinners have become very jealous of it, and have tried to destroy it wherever they can find it.

1897. If the British were allowed freely to navigate those seas, have you any doubt that a considerable trade in British manufactures would be carried on, whether the government allowed it or not?—I believe the Chinese are a very commercial nation, and that, in spite of obstacles presented by their government, trade would be carried on.

1898. Is it not peculiarly a weak and corrupt government, and unable to enforce its fiscal regulations?—Judging from the effects of its prohibitions thundered out against the introduction of opium, I conceive that is the case. There is a great contradiction between its principle and its practice.

1899. Why have not the Americans, who are free, pushed this commerce to the large extent to which you think it might be pushed by the English?—I believe that the Americans have pushed it to a very considerable extent, and to an extent to our disadvantage.

1900. Are you not aware that the American trade has of late years been decreasing?—Yes; but then I attribute that to the cessation of hostilities in a great measure. At one time the Americans had the whole of the trade; when we were at war with France and the Continent, the Americans carried on the whole trade between Europe and China.

1901. Are you aware whether the Americans trade to any other port besides Canton?—I think that some of their ships have been to the northward, but I am not quite sure.

1902. Have they traded with any success?—I cannot say; I merely infer that they must trade successfully, for there are American houses at Canton possessed of very large capitals.

1903. Must not this enter into one of the reasons why the British can carry it on better than the Americans, that if the present prohibitions were removed, the greatest market for tea in the world would be opened to the British, namely, the home market?—Certainly.

1904. Would not that tend to give a lift to the trade?—Certainly.

1905. What amount of trade is carried on between Calcutta and Bancok?—I cannot speak positively, but not much.

1906. Have you ever been connected in any mercantile transactions with the Siamese?—No, our house has not.

1907. Are any metals or minerals imported into Calcutta from Siam?—I rather think there is an importation of tin, and I think copper, to a small extent.

1908. Any of the precious metals?—There has been gold-dust.

1909. Are they jealous of the British intercourse?—I have no direct means of knowing that. We have lately had in Calcutta two large vessels from Cochin China, who came up with cargoes of sugar, but they could not find a market for it, and they returned with their cargoes. These were the first ships I ever saw in Calcutta

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Calcutta with that flag; they were very anxious to purchase one of the small steam-boats to take back with them.

1910. Supposing all restrictions on the trade with the East to be removed, what do you think would be the principal channels into which the trade with India and China would fall?—I think traders would take out manufactures to India or to China direct. If they took them to India they would there take in opium or cotton for China, and the same vessel might immediately come with a return cargo of tea to this country.

1911. Are not the greatest impediments thrown in the way of a beneficial trade direct between this country and India, in consequence of a direct China trade not being permitted?—The greatest difficulties.

1912. Are you at all acquainted with the local trade of China?—I have never been in China; I only know it as between Calcutta and Canton.

1913. You cannot from personal knowledge give an opinion whether it would be probable that disputes would arise, or whether the trade would go on with facility?—Persons that go from Calcutta to Canton do not appear to create any disputes with the Chinese.

1914. Have not the commercial transactions of Calcutta gradually extended of late years?—Yes, they have very much increased.

1915. In proportion as they have extended, have you observed an increased disposition on the part of the natives to engage in them?—Yes; I think the natives of Calcutta are becoming every day more desirous of entering into commercial speculations.

1916. Do you think, in the present state of the world and of commerce, it is likely that any country like China, if it wished to prohibit intercourse with Europeans, could successfully do so for any long period?—I imagine not. In spite of every restriction the Chinese government might wish to impose, trade would still force its way into China by some channel or other.

1917. Why do you suppose that the Chinese might not impose restrictions in the same manner as the French do, and the Americans have done of late?—The reason I do not think they would do so is, that the greater portion of the Chinese people would find so decided a benefit in getting our manufactures instead of their own, that they would successfully remonstrate with their own government against imposing restrictions, or evade them.

1918. Would there not be equal benefits to the French and Americans, from their having manufactures cheaper?—I believe there is a great body of Americans who object very much to the tariff imposed, and that it is likely to be done away with in consequence of such objection. But national considerations or prejudices not unfrequently oppose correct commercial principles, and the influence also of one portion of a people may deprive another of commercial benefits.

1919. In spite of the difficulties interposed by the Americans, do we not find the means of selling goods or produce in some way, to purchase from them their raw cotton?—I believe the effect of the tariff has been not so destructive of the British manufactures as was contemplated, and that immense quantities find their way there. It is still advantageous to buy them.

1920. If we are able to find produce or manufactures with which to purchase cotton in the United States, is it not probable that we shall find there is some produce or manufactures wherewith we shall be able to purchase the tea of China?—I have no doubt that some manufactures or produce will find their way to China to enable us to purchase the tea.

1921. Is not opium an article which, from its great value in comparison with its bulk, is exceedingly favourable to a smuggling trade?—Exceedingly favourable.

1922. The use of opium having once been established to so great a degree in China, do you think it probable it will ever decline?—No, I conceive the consumption of opium will always increase; it is a taste which is likely to increase the more it is encouraged.

1923. What amount of commercial transactions is carried on by the Americans with Calcutta?—The exact value I cannot of course say, but they have from 15 to 20 ships every year in Calcutta.

1924. Of what does their trade consist?—They generally bring out either bullion or bills, and sometimes manufactures; sometimes British and sometimes their own manufactures; a few odds and ends, small matters to no great amount, but things they produce or manufacture; and they take back indigo and silks, and a great deal of saltpetre.

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1925. For what country do they generally clear out on leaving Calcutta?—The greatest proportion for the United States; but sometimes they clear out for the Mediterranean, and sometimes for some of the northern ports of Europe.

1926. Do they clear out for China?—They do not go from Calcutta to China.

1927. Has there not of late years been an increase in the French shipping employed in the indigo trade?—A very considerable increase in the ships under the French flag.

1928. Are you aware whether that is referrible to any other cause than the treaty of navigation between this country and France?—I believe it is principally owing to that treaty the French can purchase their indigo in Calcutta cheaper than they can introduce it from England.

1929. Do the French as well as Americans principally deal with native houses for the purposes of agency?—No, the French deal with French houses chiefly; there are French houses in Calcutta.

1930. Why is it that the native houses are able to do business cheaper?—I can scarcely call them houses, they are rather brokers. There were two natives of Calcutta, one whose name was Ramduloll Day, who is now dead, and who left a very large fortune, having commenced business as a sircar on four or five rupees a month. He left 300,000*l.* or 400,000*l.* He was a Hindoo, and was brought up as a clerk or sircar in the house of Messrs. Fairlie and Company. He there picked up habits of business, and became a broker upon his own bottom. By some introduction to the American captains, he got the management of their cargoes. It is usual when a vessel comes to Calcutta to employ a native to find things for the use of the crew, &c.: he began in that way, and the American captains found he could buy their cargoes for them on better terms than they could get them from the established houses, and he consequently engrossed a great part of the American trade with another native, Ram Chunder Mitter, who, I believe, is also lately dead. The Americans will now have to employ Europeans, unless there are other natives who have succeeded the two I have mentioned.

1931. Was Ram Chunder Mitter a Hindoo?—Yes.

1932. Are not the French great consumers of indigo?—Yes, their consumption has lately very much increased.

1933. As this country would not permit the products of India to be brought here in French vessels, the French would not therefore allow the produce of their country to be conveyed in an English vessel; is not that the sole cause of the increase of French shipping which has taken place in that trade, since under the arrangement it became necessary for them to employ some other than British ships in order to fetch their indigo?—I attribute it almost entirely to that cause. The French ships import a great quantity of wine into Calcutta. There is an additional duty however on indigo brought into France *via* England.

1934. The export of wine to India appears to be an increasing trade; do you conceive that the consumption is wholly European, and that there is no disposition on the part of the natives to consume wine?—I believe they consume a great quantity of wine in Calcutta, certainly.

1935. Do they elsewhere?—To a certain extent in the interior; but the natives in Calcutta of course, from their being so much more with Europeans, are divested in a much greater degree of their prejudices and habits than others. I heard from a native shopkeeper in Calcutta, who is one of the largest retail shopkeepers, that his customers for wines, and brandy, and beer, were principally natives.

1936. What should you say was the favourite wine among the natives?—Champaigne.

1937. Formerly they did not consume any wine?—Very little, I believe.

1938. Is it not contrary to their religion?—I do not know whether it is contrary to their religion, but it is contrary to their habits; I believe not contrary to their religion. It is not done openly, but when done it is a violation of their custom rather than of their religion.

1939. In your letter to the India Board you state, with regard to the restrictions placed upon the government of India, preventing their making to mercantile houses advances of money, that such restrictions were placed by the Directors; have you any authority for stating that your representation of the mode in which it was done is correct?—Only from what appeared in the examination of Sir Charles Forbes; I have referred to that in the margin, that is my only authority.

1940. Are

1940. Are you aware that Sir Charles Forbes had no official mode of getting at the facts?—That of course I am not acquainted with; it struck me as a very extraordinary circumstance, as he stated it; and I have no hesitation in repeating that it appeared to me there must be some misapprehension.

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THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

George G. de H. Larpent, Esq. called in; and Examined.

1941. DO you mean, by your statement in the paper you have laid before the Committee, that the trade to China should be laid open to the public, or otherwise? —It is taken for granted in the statement, that the China trade is brought under individual management, and thrown open to individual skill and enterprise. I take the amount to be provided for in India for remittance to England at seven millions, and that recourse must be had to a combined operation with China, for the purpose of bringing that sum home. That the machinery which now exists of remitting back the 1,500,000 dollars from China to India would be saved, and that those very dollars would be sent direct from China and placed in London for the purpose of paying the territorial charges here, whoever may govern India.

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1942. Is it your opinion that under those circumstances the Company should lose the supply of tea for the home market?—I am not prepared to say that the agency of the Company in the China trade should be altogether dispensed with, but I think that every possible facility should be given to private trade, consistently with the existence of the trade with China not being endangered by the peculiar jealousy of the Chinese; and referring to the exclusion from Japan, a country somewhat similar, I doubt whether the agency of the Company should not be used in the purchase of the teas. The Company's factors might, through the Hong, purchase the tea on a rated allowance per pound or a per-centage; and I have not the least doubt but that the general trade being left entirely free, merchants would purchase the tea of the Company, and that by this mode everything connected with China might be carried on with safety. The only questionable point, in my mind, is the possible collision between the private purchasers and the Chinese sellers of tea, in an entirely open trade.

1943. Your difficulty would be removed by having a body to deal with, a body such as the Hong merchants?—Yes; but with this guard, that a provision should be made in any new Act, that if it were found expedient, in the course of the period fixed for a new charter, to throw open the purchase of teas, even that should be taken away from the Company; because I conceive that a monopoly trade of any kind in the hands of the Company is not justifiable, except on the sole ground of its being dangerous to the existence of the trade itself to remove the restriction.

1944. Were you ever in China?—Never.

1945. You suppose that if there was a free trade, and every individual allowed to trade as he thought proper, there might be a chance of collision with the Chinese, and that through that we might lose the advantages of the trade?—Certainly.

1946. Setting aside the difficulty of collision, are not you of opinion that a powerful body like the Company is more likely to keep the body with which they are obliged to trade, the Hong merchants in China, in order, than scattered individuals coming each with his own cargo, and shifting and dealing merely for his own adventure?—Certainly that is my opinion. In all ordinary trades with ordinary nations, individual enterprise and skill will best accomplish the object; but considering what we have heard and known of the Chinese, and that the evidence is so conflicting, I think it would be extremely desirable to interpose in the purchase of teas a united body like the Canton Factory to negotiate with the Hong. This would have a double effect; it would oppose a combined strength to the combination that exists in the Hong, and prevent an undue enhancement of price or excess of charge on the tea; and, above all, it would prevent the adulteration of the article itself. My judgment is formed solely from what I have read, or collected from oral testimony, but we must consider the nature of the Chinese government and institutions;

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institutions; we well know that the tea is brought from a considerable distance to Canton, on the absurd principle that the accumulated charge for carriage is beneficial to the Chinese; and to retain these supposed advantages they will not allow us to go nearer to the provinces where it is grown. Then there is the same jealousy towards us that has operated in confining the Russian trade, and the Spanish and the Portuguese trade, to certain narrow limits. In short, in the China trade it is not dealing with commerce under ordinary circumstances. But what I venture to propose is the only limitation I should put to a free trade with China; all the outward trade might be left to individuals, and I should say, restrict as little as possible, consistently with safety. And if by any machinery it should be managed that the Company should trade with the Hong in the purchase of teas, the great end I have in view, security for the trade itself, might be accomplished; for there is no doubt the private trade would carry off the cargoes of teas which would be purchased, there being so steady and universal a demand for the consumption of tea in England, and a demand for remittance from India to England, which would be met to the extent of the cost of the tea.

1947. You would not propose that the Company or the Company's Factory should act as this intermediate body, if you do not leave to the Company the whole benefit of the trade, or gave to the Company some intermediate profit between the Chinamen and the trader?—My idea would be to leave a certain rated profit to the Company on every pound of tea they sold; all the present evils would continue to exist if the Company had large ships to send out, and all their expensive establishments. I should simply put the Company or their Factory between the trader and the Chinese. I think we should have a provision in the Act of Parliament to see how that worked, and that there should be a power of alteration during the charter; indeed it was one of the defects in the last arrangement that there was not a similar power given to modify some of its restrictions or provisions, according to the will of the Legislature, on certain terms with the Company. There is no just claim on the part of the Company to a monopoly, but its expediency rests purely on the danger of losing the whole trade, from individuals coming into contact with so extraordinary a people as the Chinese.

1948. Do not you suppose that the establishment of some powerful consulate on the part of the Crown, might obviate the difficulty you mention?—I should rather say, that the very danger we are now subjected to in China shows the inexpediency of such an establishment, for the collision which has recently taken place with the Chinese is to be attributed, perhaps, in a great degree, to the diplomatic character or the non-mercantile character of the present Factory; all the young men sent out are highly educated men, but their feelings are rather more alive to the honour of the country and the political position in which they consider themselves placed, than influenced by the mercantile views which ought to govern them. Whether the present establishment is the best, I cannot say; but I think anything in the nature of a consular establishment would at once bring the British into contact with the Chinese government, in which case we should be bound not to pass over insults which might be offered by the pride and arrogance of the latter, and which might ultimately produce hostility; and a war to force a trade would, I conceive, not only be exceedingly questionable in its principle, and enormously expensive, but in its result be very problematical.

1949. Are you aware that private enterprise has lately sent several ships on the east and northern coast of China, to encourage the trade, and many have been successful in their speculation?—I do not know of my own knowledge.

1950. Is it your opinion it would be wise in the Company, in remittance home from India, to take bills, taking at the same time the security of goods?—My opinion is, and it is partly founded on what has taken place since the Company adopted that plan, that it would not be operative to any great extent, except in the peculiar and distressed state of the money market of Calcutta, such as took place recently.

1951. The exchange was not above a bullion exchange, was it?—No, the exchange never can be much above a bullion exchange.

1952. Was it equal to a bullion exchange?—Yes. With regard to the state of the remittance trade of the Company, and the purchase of indigo as a part of it, the Company have given an unnatural stimulus to the growth of indigo, and by coming in every year to buy so largely, a higher price has been fixed than was justified by the state of the home market; and the consequence has been a great loss upon the remittance, which has been sent by the last accounts.

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1953. How do you account for the price the Company pay being so high when it is done by public tender?—When the Company come into the market, at the commencement of the season, their wants are known; and though I cannot speak from any local knowledge, I believe it is unquestionably true, they have submitted to prices which no other merchant would have given, looking at the state of the home market.

1954. Do you think there is any combination among the merchants under such circumstances?—No, I think that impracticable; but when it is known that a public body is to come into the market for a very large purchase, the whole trade is in an unnatural state.

1955. When it is very advantageous for every individual to sell on the spot at certain prices, how does it happen that the price is kept up beyond its natural price if there is no combination?—I only account for it by the wants of the Company being known, and the extent of their purchases being accurately known. Their ships being ready, and the necessity of sending home a large supply existing, unquestionably they have raised the price of the article, and that has given an unnatural stimulus to production, so that the indigo market has been in an unnatural state, and stocks have been accumulating, whilst I see by the accompanying table that prices have been paid which must have given a loss.

1956. In your examination of the accounts, have you met with any statement or account, drawn out upon ordinary mercantile principles, of the commercial transactions of the Company, showing the progress and condition of their trading concerns?—I have not sufficiently examined the accounts to be able to give a decided answer. With reference to some parts of the commercial accounts, there is not that commercial allowance for bad debts, which would materially influence the profits, and which is taken into the calculation in every mercantile account; the accounts are so voluminous and important that no person is qualified to form an opinion upon them without very attentive examination.

1957. Do you conceive that an union of the operations of the two departments, Commercial and Territorial, in one body, ought to occasion any difficulty in the way of a correct balance-sheet being made out of the separate affairs of each?—No, I do not.

1958. Do you conceive that such a balance-sheet would facilitate the reconciling any discrepancies which at present appear upon the face of the accounts?—Yes; I know no way of getting an accurate result of the accounts but by a balance-sheet.

1959. You conceive that the discrepancies must in that way be explained or accounted for?—Certainly.

1960. Do you conceive that a correct judgment can be formed of the accuracy of the financial statement or the financial condition of each department, without a balance-sheet of the whole or of each side separately?—No; I think the fair result of any matters of account can be obtained only by a balance-sheet, for without a balance-sheet we are always liable to great deception; one of the plainest and most unequivocal principles of accounts is to deduce every thing to a balance-sheet, and then every debtor has his creditor, and the final result would be made apparent. Persons may puzzle themselves upon these figured statements for years; and the proof of that assertion is, the difference in the accounts of Mr. Langton and Mr. Melvill and Mr. Rickards, all working upon the same materials.

1961. Ought not the balance of unappropriated commercial profit for each year to agree with the accumulation of commercial property at the end of each year; and when it does not, would not a balance-sheet account for the discrepancy?—Certainly, and in the following way: At the commencement of the operation there is a certain stock or capital with which the trade is carried on during a certain period; this stock or capital is valued when the period of trading expires, and thus it will be known whether in the intermediate process there has been loss or gain, or how much has been lost or gained.

1962. You state in your paper that stores might be supplied in India by contract, and that the government in India might obtain them on better terms?—I find that as our Government want stores, from Russia for instance, so we purchase them by contract; and so might the Indian government, by a contract with a merchant in Calcutta, order his stores through his correspondent in London, and with proper securities the stores would be furnished at a certain time, and probably at a cheaper rate than the government themselves might furnish them.

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1963. How would you supply great guns and shot, and things of that kind, by contract?—I cannot immediately say how I should cast about to do it, but I have no doubt that they might be obtained here when once the demand was fairly made; I think there is no difficulty in supplying them either in India or here.

1964. The East India Company contracted lately with a house of large means, that the guns when sold to them here should be sent to Woolwich to be proved, and the whole of them burst; suppose those guns had reached India at a time when guns were greatly wanted, and the same had happened, how were they to be supplied under those circumstances?—In an exigency of that kind, there can be no doubt that an application from the private contractor to the British Government to have the guns proved would have been granted, and thus the same results would have followed as in the case alluded to. I suppose that the contract is made through the medium of a house in London, in the same manner as the Company do it now. If the government in India wanted certain articles, they would advertise for them to be delivered through the medium of *A. B.* in India at a certain period; the contractor would employ his agent in this country, and it would be the business of the agent to send them out.

1965. How are the government there to see in this country that the goods are fit for their use before they leave this country?—The contractor would certainly see to that, and it might be provided that the guns should be tried in this country and then sent out, and that the contract should not be completed without an Ordnance certificate of their proof. I am sure that there would be no difficulty in all the orders for military stores being supplied on as low terms as they are at present, and quite as efficiently.

1966. Upon what grounds do you think that the papers placed before the House of Commons, relating to the debts on the silk account, are not correct?—My reason for believing it is, that in all business requiring advances to be paid before the article is delivered, there is considerable loss. I know in the case of a private adventure, which required also advances, and was in competition with the Company in silk, the losses were large. My opinion is, that the account ought be made up with the regular Factory charge, with the market rate of interest, with the full commissions, and with the amount of the bad debts which arise from the advances, carried to the debit of the silk account; and when I look back to see what allowances have been made for the doubtful and bad debts connected with the silk business, I find there is a return giving only 15,000 rupees, which is so decidedly below what I conceive must be the case, that I cannot have any faith in that account.

1967. Do you find any account of the capital laid out on the establishment and machinery?—I have seen none at all; and it appears essential to forming a correct judgment of the actual cost of the silk, to obtain information as to what it there actually stood the Company in; without having an account of the bad debts, and every charge and expense included, the cost cannot be ascertained.

1968. Do you think that if the Company proposed giving up their silk factories altogether, there are individuals or bodies of individuals who would be inclined to take them?—I have no doubt there would be, if the Company went out of the trade altogether. Silk has increased so much in consumption at home that capital in India would be invested in its production, as has been the case with indigo; indeed it would be very desirable to have another article in which capital would be profitably invested.

1969. Is the Company's silk better in quality than that of others?—It generally is; others have been advancing up to the Company's, but their's is still the best.

1970. Do you think there would be any fear of its losing its character, in case of the Company giving it up?—I think not.

1971. Do you think that the indigo trade could be carried further than it is at present?—On the contrary, I think it is carried to excess now.

1972. It supplies the whole of Europe?—It does, very nearly so.

1973. Can you state to the Committee any article of Indian produce, the consumption of which you think would be materially increased by opening the trade?—I consider the trade as practically open now, except indeed in such particulars as connected with political circumstances. I mean, for instance, how far residence in India may be permitted. There is no impediment to carrying on trade freely with India; the only existing evil is the Company trading themselves, as they do not trade on the ordinary conditions of profit and loss. I am perfectly aware that the Company do not trade now as merchants, and that the only trade that they cling

cling to is a trade of remittance. The impediment thrown in the way of respectable persons going out to India, under the present state of things, opens another wide field of discussion, how far it may be proper to allow Englishmen to go into the interior, and whether respectable individuals with capital will be induced to go with the present law of deportation existing, and whether it will be safe to remove it; these questions are all connected with the political state of India, into which I will not enter. There are other smaller matters of fiscal regulations, but I know no grievance we have to suffer under the administration of the Company, in trade with India.

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1974. Do you not think that the exclusion of individuals from the China trade prevents the general trade of individuals going into those channels into which it would fall, if the trade were thrown open?—I have stated my general views on the China trade already; I still entertain the opinion referred to before, namely, that the trade to China should be as free and open as possible, with the only limitation arising from the peculiar nature of the Chinese, the apprehension of collision with the Chinese, and perhaps the advantages to be derived from having an intermediate body to deal with in the purchase of tea, in preserving it from adulteration.

1975. The houses engaged in the trade with India do not find any hindrance, or persecution or molestation of any sort, from the Company's authorities?—None that I know of; at the same time, where the Company have, as in the case of their silk factories, mercantile establishments, it was exceedingly difficult for an individual to enter into competition with the Company, until some late regulations were adopted, which originated from a very strong memorial being presented to the Board of Control, and by them to the Company. These representations received due attention from the Company, and in consequence directions were sent to India to provide against the abuses, arising from the right of pre-emption enjoyed by the Company, and the advantages they possessed in obtaining the priority of payment of their debts over every individual, where the Company and individuals had made simultaneous advances; the government in such cases swept away the whole property. Nothing could be more correct than the views the Company entertained, and the regulations adopted in consequence, but still there is a deference paid to the Company, arising out of their union in India of the character of sovereign.

1976. Have not the purchases of indigo made by the Company occasioned fluctuations in price which have been very ruinous to individuals, although it may not have been the intention of the Company, by means of their purchases, to injure individuals dealing in it?—The best way to answer that will be to put in a statement, from 1821 to the present time, of the amount bought by the Company, in maunds, the price, and the stock in London at corresponding periods. I have also put down the rates at which indigo purchased at those prices stood in London, and the prices which the Company obtained; in order to show that no mercantile establishment would ever have dared to continue to give those prices in the face of such an accumulation of stock and such a state of the market, and that it is the connexion between the Company and the government in India that has kept up the price there unnaturally. When the Company went out of the market, and declined purchasing as heretofore, which they did in the year 1830, the depression in price was so great as to be ruinous to many individuals.

[The same was delivered in, and read, as follows:]

INDIGO.	Mds.	Price.	Stock in London, end of the Year.
In 1821-22 the Company bought	3,553	234	1822 - 8,200 Chests.
1822-23 - - -	9,287	312	1823 - 13,100
1823-24 - - -	6,963	277	1824 - 12,200
1824-25 - - -	14,295	282	1825 - 16,400
1825-26 - - -	17,202	231	1826 - 22,300
1826-27 - - -	16,145	276	1827 - 22,800
1827-28 - - -	26,566	264	1828 - 31,100
1828-29 - - -	11,159	270	1829 - 31,200
1829-30 - - -	29,582	193	1830 - 37,600
1830-31 - - -	-	-	1831 - 35,700

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INDIGO.		Average of Company's.		Average Price of Indigo per chest.	
At 234 Rupees per Maund, say at 2s.		7/10 per lb.	-	During 1822	
		1822-23	- 10/2 3/4.		
312	- - - - -	10/5	- - -	£. 90	- - 1823
		1823-24	- 9/4.		
277	- - - - -	9/2	- - -	100	- - 1824
		1824-25	- 11/5 3/4.		
282	- - - - -	9/5	- - -	140	- - 1825
		1825-26	- 9/1 1/2.		
231	- - - - -	7/8	- - -	110	- - 1826
		1826-27	- 8/9.		
276	- - - - -	9/2	- - -	80	- - 1827
		1827-28	- 7/5.		
264	- - - - -	8/8	- - -	70	- - 1828
		1828-29	- 5/3 1/2.		
270	- - - - -	9/0	- - -	55	- - 1829
		1829-30	- 4/3 3/4.		
193	- - - - -	6/5 quantity on hand	-	45	- - 1830

Average production from 1812 to 1821, 10 years, average, say 24,890 Chests.
1822 to 1831, 10 d° - d° - 33,170

1977. Where an individual trades for profit, would that circumstance be a check upon the prices which that individual is willing to give; but where a sovereign power trades through means of its agents, and profit is not made the primary object by those agents, would not, of necessity, the prices given be higher by a competition being raised, which would not take place under other circumstances?—Experience proves that entirely, in every respect. I believe as little has been done of late by the Company as possible, for their whole object latterly has been to trade for remittance, and not as a commercial body.

1978. Injury may be done to individual merchants and manufacturers, in the manner stated in a former question and answer, even though such injury might be unintentional on the part of the Company, may it not?—Certainly.

1979. The question, whether the Company has made sacrifices in its commercial character for the purpose of remittance must be tried by the statement of the result of commercial transactions, whether a profit and loss upon those different articles has taken place: if it should appear, for instance, that the Company had made a profitable business in indigo, or in silk, or in any other article, that would be a proof that that adventure has been conducted with commercial prudence, setting aside the value of the transaction for any purpose of remittance?—There is no doubt that the proof of the prudence of the Company's trading must depend upon the out-turn of the different articles purchased by them. The former question, however, had reference to the existence of the Company as a trading body exercising the functions of government; and it was contended, that though the trading might bring the rupee to England a little above the ordinary rate of exchange, it was an unfair advantage which the Company possessed, by trading, as they did, with the revenues at their back, and an injustice to the mercantile adventurer there. Whether the Company had or not traded on sound mercantile principles must be put to the test by the result; but that result must be most carefully analysed, the accounts being made out upon commercial principles. On the face of the account it will appear, for the last five years, there has been a considerable loss both on indigo and silk.

1980. If you divide the period of trading in silk and indigo into two periods, does not the latter show a very considerable loss as compared with the former?—It does during the last four years.

1981. Even in the former instance ought not some correction to be made on what the Company appear to have realized on every rupee, depending on the depreciation of the currency in this country?—I should be satisfied as a merchant if I had got, by a remittance on indigo, 2s. 10d. for my rupee, which when the indigo was shipped

shipped was not worth there more than 2 s. 3 d. *That* only can be fairly taken as profit which is the excess in the result of the shipment beyond the mercantile rate of exchange.

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1982. It might happen that they had got 2 s. 1 d., when, in consequence of a depreciation, the exchange was 2 s. 6 d. or 2 s. 10 d. ?—Certainly, to the extent of the effect of the depreciation of the currency on prices.

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1983. Do you know whether much injury has actually accrued to individuals in consequence of the dealings of the Company in the article of Indigo ?—I consider the present state of the indigo trade to result from that circumstance. The ruin of many factories, and the necessity of curtailing others, to reduce the production more nearly to the level of the consumption, will certainly be attended with much individual distress.

1984. Has the quantity which the Company have purchased of late years varied much ?—The Company purchased and shipped to Europe in 1829–30 not less than 29,582 maunds.

1985. What quantity did the private trade send in the same year ?—The whole produce that year was about 130,000 maunds, and I suppose about 80,000 came to this country.

1986. Supposing out of 80,000 maunds shipped to this country, 29,000 only are sent by the Company, and 51,000 by the private trade, why should you impute the over-trading to the Company, who are the smallest dealers, and not to the private trade, who have been the largest ?—The Company being great buyers, fix the price when they go into the market in the early part of the season. Those parties who want remittances to pay the bills drawn for savings, home expenses, and returns for goods, must buy indigo at nearly the same prices as the Company, and the loss falls partly on the persons buying bills, as the exchange is fixed in some degree with reference to the out-turn of the goods, and partly on the sellers of the bills ; the power of remitting home the rupee itself being the limit to the rate of exchange ; and the rest of the indigo is shipped not on private speculation, but by those different houses who are the agents of the manufacturers, who support them by advances, and who must themselves take the consequences of profit and loss upon the produce, subject to what the owners of the factories may themselves be able to pay. Hence the continued over-production and the accumulated stock, which is now 35,700 ; a proof that the trade has been most improvidently carried on in the face of a very large stock and of a depressed market. In 1830 the Company saw their losses were accumulating, went out of the market, bought very little indigo, and advanced upon indigo consigned to this country, taking the bills of the merchants, secured by bills of lading.

1987. If the Company had not been purchasers of so large an amount in a particular year, would not that equally have come to this country by the private trade, and would not the market have been equally overstocked ?—Yes ; but the attempt of my argument is to show that the Company, by going into the market every season, and giving high prices, have produced the excessive quantity of indigo by that stimulus to production which would not otherwise have existed, because no merchant could have so gone on from year to year ; and it is because the Company have been able, with resources not affected by the ordinary calculations of profit and loss, to go into the market, that there has been such a stimulus given to production.

1988. If the interference of the Company had the effect you suppose, of uniformly setting up the prices, would not that rather have deterred private adventurers from making simultaneous purchases, and would not that discouragement of the private adventurer have been the natural remedy for the over stimulus of which you complain ?—The other shipments were either on account of the factories, to repay the advances of the houses of agency there, which being already incurred, and the indigo not saleable in India, it must be sent to a market that they may be repaid by the returns. Then there is a demand for about a million and a half for the private fortunes and expenses of the servants in India, and charges of that kind. I take that to be the amount of the private bills drawn by the different houses in India on England ; and lastly, the demand for returns for the private outward trade, that must be made in some way or other, and it also comes in this indigo.

1989. The houses of trade in Calcutta, and the houses of agency in London, are all anxious that the Company should cease to trade ?—It was the unanimous opinion of the London Merchants that it was desirable that the two departments

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should be separate, and that the Company should not trade; they were all convinced, many of them having been in India, of the incompatibility of the two characters, and the inconvenience the trade suffered from the union.

1990. Do you understand that to be equally the opinion of the commercial body in Calcutta?—I cannot so positively answer that question, not having ever been there.

1991. Are you not of opinion that the commercial houses there would benefit largely by a restriction as to trade being put upon the Company, and more particularly if the Company were obliged to pass through the agency of those commercial houses, as well for purposes of remittance as for the purchase of government stores?—I should think such a separation certainly would tend to increase the business of the agency houses there, and of the commercial body generally; but it is desirable, not so much upon the ground of increased advantages to those parties, as it is by removing difficulties and evils which I think are inseparable from the mercantile body coming into competition with the Company, having such considerable revenues at their back, and not trading on the usual principles of profit and loss. I do not think it desired by the merchants so much under the idea that they shall benefit by it, as from its ensuring the removal of the evils which they feel.

1992. What number of houses, which you should consider houses of good credit and respectability, exist in Calcutta?—The number of commercial houses in Calcutta is considerably increased. The usual practice is to consider about 10 houses in Calcutta as houses of undoubted character and extensive connexions and means. The number of establishments altogether is larger.

1993. How do you think the Company could procure the bills they want in India to remit to the extent you have stated?—By tender.

1994. How would you decide as to those bills which were to be considered good, and those to be considered as indifferent?—There is a difficulty in attempting to enter into the details of what may be required in adopting a new system. I am hardly able to say what would become the practice, but I have no doubt, if it were left to the agency of commerce to make remittances to this country, on the one hand checks would be instituted by the government, and on the other securities afforded by the commercial body; but I cannot off-hand state what the Company would exact, or the merchant would offer; a great deal would depend upon the local arrangements; but with due vigilance, and under a fair exercise of competition, both parties would, I have no doubt, be able to accomplish the object.

1995. Would not all the difficulties you have stated to arise in India from allowing the Company to trade in indigo operate against individual traders, if the Company were allowed to be factors-general of teas in China?—They would, under that supposition, have the monopoly of the supply; but it is to provide and guard against one particular evil in a very extraordinary and very anomalous trade that I made the suggestion. I cannot satisfy my mind that we are quite safe in throwing the old China trade open altogether immediately; but how far my plan, or any other which may be adopted, will operate, time alone can develope. I wish the restriction to be the very minimum consistent with the security of the trade.

1996. Do you contemplate that under such an arrangement the Company is to receive a profit on such transactions?—It will receive an agency commission or a profit per pound on sale.

1997. Do you contemplate a profit at all proportionate to what they now receive?—No; sufficient to compensate for the expense of their Factory and their agency.

1998. Will not this interfere with the fall in prices which may be expected if individuals trading to China are allowed to conduct their transactions in their own way?—I know the suggestion to be indefensible on general principles, and I should say it is also a doubtful measure; but at the same time I feel great difficulty in conceding that we can with China altogether permit an entire and unrestricted trade, both as regards the probable adulteration of the article, and our possible total exclusion from the country. I feel that the China trade is altogether peculiar; that it has grown up in a peculiar manner, and that it might be put an end to altogether by the Chinese government in a moment of pique or pride. It is an evil to have a restriction of any kind. It would be infinitely better to have the trade unrestricted altogether; but I feel a hesitation in saying that I am quite satisfied that we may go so far at present as to dispense with the agency of the Company in China.

1999. Would

1999. Would it not be better to defer introducing such a system, which is a great evil, till it is ascertained that it is necessary to make use of such machinery?—I should invert the process. I should go on softly and slowly at first; and if I found that no evil took place from the enlargement of the trade under the new system, under a power which I think ought to be reserved by the Legislature, even that restriction which I contemplate might be taken away. It is possible, by the other process, that we might be driven out of China altogether, and then we should have to reconstruct the trade.

2000. If such a regulation were to take place, would not the East India Company be a party interested in continuing to throw impediments in the way of the private trade, and is not your plan on that ground objectionable?—The trade of the East India Company would be closely allied with that of private traders; it would be the object of the Company's Factory to give the latter every facility in their supply and general trade.

2001. Would they not be a party interested in preventing the trade going through any other channel but the channel of the Company itself; and can you expect that if there is a great and powerful company interested in confining the trade to flow through their own particular channel, the period will ever arrive when the trade of individuals not flowing through the channel of the Company will be freed from impediments?—There can be no doubt that it will be the interest of the Company to perpetuate their agency in the trade of China under the proposed plan; but while so many interests are awakened to the state of the China trade, such bias or tendency will be kept in check by the private merchants. The misfortune of determining the question at the present moment is, that we now come to the inquiry without that extent of information which it requires; and what knowledge we have comes through suspicious channels on both sides. I would proceed cautiously towards that which I hope the trade will attain, an entirely open and free trade.

2002. Supposing the Company now to derive a clear profit of 20 or 25 per cent. on their adventure in tea, and that by an open trade the tea were reduced to that extent in price in this country, is there anything to prevent the Chinese government, if not looked after by some vigilant body there, putting on an equivalent duty upon the export of tea, if they were so advised; and would they not in fact be able to levy the whole amount of that profit which the Company now make on the consumer in England?—They certainly might. Throughout my argument, I have proceeded on the belief that the trade in tea is much more advantageous to the Company, and through the Company to this country, than it is to the Chinese, and that they might risk the whole of it by putting a large duty on the export of tea, and thereby levy a heavy tax on the drinkers of tea in this country. This is one of the evils I foresee in dealing with a nation so peculiar in all its commercial transactions as the Chinese, and which would hardly apply to any other country.

2003. Is there any instance of their having imposed a tax upon their exports, which you are aware of?—I am not aware of any.

2004. Do you contemplate that under those arrangements of the Company being factors-general for teas sold to the British at Canton, that at the same time British individuals shall be allowed if they please to carry on a smuggling trade in tea along the coast of China with such persons as may be willing to deliver it to them?—I contemplate very little alteration in the trade from that which exists at the present moment, as far as the supply of tea or the purchase of tea are concerned.

2005. Would you allow the smuggling trade along the coast of China to go on at the same time that this trade goes on at Canton through the hands of the Company only?—I certainly would not allow a smuggling trade, because that might bring us into that very collision with the Chinese which I fear; and therefore all the operations in the purchase of tea ought to be conducted at Canton. There ought to be one mode only of getting tea out of China, or the Company would not be able to carry on their purchases with any certainty of a sale.

2006. Do not the facilities afforded by the great extent of the coast of China, and the knowledge that great part of the tea grows in the northern provinces, and the facilities of smuggling on the coast of China, interpose a check upon the Chinese, if they were so disposed, in laying on a very heavy export duty?—I think it will not be safe to trust to the smuggling trade on the coast of China, either as respects the quality or the quantity of tea required for the home market; therefore, as far as my information goes, I think the trusting to smuggling would be a very short-sighted policy.

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2007. Has any attempt ever been made?—None that I know of, even by foreigners; and as it is illegal here to trade in tea, except through the Company, a smuggling trade in tea does not to my knowledge exist; and as I have seen it stated in publications that one of the mistaken notions of the Chinese is, that it is politic to bring teas from a distance to the shipping port, the long carriage and heavy charges being profits to China, I think every obstacle would be probably thrown in the way of obtaining tea any nearer to its growth than Canton.

2008. Why should not individuals be allowed, if they chose, to purchase it cheaper in the smuggling trade?—It is not an article to trifle with; it is an article of such extensive consumption, and producing so very large a revenue, that I think it should not be permitted to depend on smuggling, for if there be a great deterioration in the quality of the tea, the consumption in this country would be materially affected. It is the uniform goodness of the tea which has occasioned its being used almost as a necessary of life in this country.

2009. Is not your desire to confine the trade to the Company's agency founded upon your apprehension that the Chinese may possibly take measures entirely to prevent the trade; and does not your plan of prohibiting individuals from engaging in a smuggling trade in tea on the China coast tend to interpose additional difficulties in obtaining the supply of that article?—It certainly does interpose difficulties as far as respects the obtaining it through the means of smuggling, for it would be part of the plan to have it obtained only through one source, and through the Company; but this I consider as arising out of the difficulties of the case; it is a choice of difficulties.

2010. Does not the extensive smuggling trade in opium rather militate against your conclusions as to the difficulty of carrying on an extensive export smuggling trade in tea?—Yes; but the sale of an article by smuggling, and the purchasing of it for an export trade, and the shipping it, are very different.

2011. Is not the one a very bulky article, and the other an article of which a large value can be carried in a small space?—Yes.

2012. Is not opium an article of consumption, which being prohibited in China, must necessarily be entirely a smuggling trade?—Undoubtedly; but for the reasons I have stated, and particularly considering it to be the object of the Chinese to encourage the labour and increase the profits of their own people by bringing the teas from the interior to a distant port, I cannot help thinking that the government will interpose to prevent smuggling in that article.

2013. Was it not your object to counteract the monopoly of the Chinese, by having a monopoly to meet them?—Yes, under the supposition that the interposition of a body of the kind I suggested will retain the trade in a more safe and effective manner; I consider the existence of a counter-monopoly in the purchase of tea as matter of prudence.

2014. In carrying on a trade, is not smuggling a natural limitation to the duties on any article which any government may be disposed to lay?—Yes, unquestionably.

2015. Why would you take away this natural limit from a trade in an article so necessary to the consumers of this country as tea?—If we were not allowed to go at all to Canton, from any quarrel with the Chinese, the encouragement of smuggling might be the best policy: but should we trust for such an article as tea to the general smuggling trade round the coast of China; and would it be prudent to encourage it, under the peculiar circumstances, in an article of so much importance to Great Britain?

2016. Would you prevent the smuggling, or only not encourage it?—I think the Company would not be safe in their dealings unless they had the command of the supply of tea.

2017. Is it not your plan to prohibit the import of tea into any port of Great Britain or of the British settlements, except such as may be purchased at and shipped from the port of Canton, through the agency of the East India Company?—Yes, as a primary step, till we see how far it may be prudent to throw it open.

William Crawford, Esq. called in; and Examined.

W. Crawford, Esq.

2018. YOU are at this time a Merchant in London?—I am a Partner in the East India Agency House of Bazett, Colvin, Crawford & Company.

2019. Were you formerly in India in the Company's civil service?—I was.

2020. You

2020. You have had considerable experience in the Company's public and mercantile accounts?—I have.

2021. In what department of the Company's service were you?—I was once Head Assistant to the Accountant-general. I have been in my time a Field Paymaster and Commissary, and subsequently I was a merchant in India; in that character I had the management of the books of a large commercial establishment.

2022. While in the Company's service were you employed in making up the accounts for this country?—When Head Assistant to the Accountant-general I was.

2023. At what period was that?—More than 25 years ago. I have been in England 20 years.

2024. Have you recently turned your attention to the public accounts of the East India Company?—I have lately done so.

2025. Will you state what course you have pursued in your examination of them?—When my attention was recently requested to these accounts, I did not anticipate any difficulty in the first and very important object of examination which I prescribed to myself, that of arriving at a correct view of the relative situation of the Territorial and Commercial branches for the period subsequent to the last renewal of the East India Company's charter, knowing as I did that timely arrangements were made on that occasion for the separation of the accounts of these departments. The scheme for that purpose, as set forth in a Return to an order of the House of Commons of 29th April 1826, appears quite adequate to the end in view. Whether the difficulties I have met with have arisen from any inefficiency in the manner of acting on that scheme, or whether they are attributable to any peculiarity in the mode of making up the official statements, it is not necessary for me to inquire, nor have I before me the means of ascertaining with any degree of accuracy. I have found myself, however, stopped short; and, for reasons which will be hereafter stated, I am forced at once to the conclusion that "the Statement of the Account between the Territorial and Commercial branches, in each year, from 1st May 1814 to 30th April 1829," professed to be drawn out agreeably to the form already referred to, does not, in my judgment, furnish the means of exhibiting a correct view of the transactions between these two branches of the East India Company's affairs. I have calculated the Statements prepared annually for Parliament, in order to have in one view the contents of the 15 separate years, from 1814-15 to 1828-29: these tables show the aggregate of debits and credits, as follow:

£.		£.
30,216,345	{ Account N° 1. In respect to Territorial and Political Payments made in England. }	31,593,580
13,256,695	{ Account N° 2. In respect to Bills of Exchange drawn from India on account of Interest on India Debt. }	8,694,697
—	{ Balance due from Territorial to Commercial Branch, for excess of payments beyond receipts. }	3,184,763
£. 43,473,040		£. 43,473,040

The first object in my examination of these accounts was to see whether, as far as I might be able to apply some local knowledge of their construction and contents, they appeared to be unobjectionable in principle, and whether they seemed to contain entries of all transactions between the two branches, so as to create no reasonable cause for doubting the correctness of the balance which is exhibited. A most important omission very early attracted my notice, in the payment of 1,300,000 *l.* made to Government in part satisfaction of the loan of 2,500,000 *l.* raised for the East India Company in 1812, for the purpose of enabling them to discharge part of their East India debt, not having been brought on these accounts; the balance of which loan, as due on the renewal of the charter (and which I find stated at 2,272,623 *l.* on 1st May 1814) was, under the 52d Geo. 3, c. 135, considered as a Territorial debt. Limiting the transaction to this view of it, the omission would at first sight seem to be duly corrected by now debiting the Territorial branch; for until this item be charged, so much of the debt due to Government would stand on the Territorial account as unpaid. But the transaction is not of this limited character:

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character: it is connected with the adjustment made between the East India Company and Government of all accounts to the 30th April 1822; and the Treasury Minute of that time details the broad principle on which this settlement took place, it being a condition stated in it that the sums agreed to be due to the Company should be applied towards the payment of the balance due to Government of the debt for the loan of 1812, which item was not embraced in the accounts then settled. I observe in the document No. 21, professing to be a general Statement made out "according to the annual Accounts presented to Parliament," (see Papers relating to India Finances and Trade), that this sum is there introduced, as a payment to Government in 1822-23, to the debit of Territory; and I see that its equivalent is provided in this statement, by crediting Territory for the same amount as due to that branch on the items of the settlement then made with Government. Supposing the entries adopted into the statement No. 21, but which are not in the annual accounts between the Territorial and Commercial branches, had been introduced into the latter, still the object in separating the Territorial from the Commercial receipts and charges, would not have been fulfilled or satisfied, by so adopting, without further inquiry or adjustment, this payment of 1,300,000 *l.* by Government, as the sum due to the Territorial branch, for its part of the Company's general account then settled. One instance, out of the many which might be adduced, will suffice to show the necessity of that settlement being adjusted and entered on these accounts, as far as the items apply to them. The sums charged to the Territorial branch in account No. 1, from 1814-15 to 1828-29, for St. Helena, are:

	£.
London expenses - - - - -	109,903
Territorial stores exported - - - - -	919,180
Ditto from China and the Cape - - - - -	327,721
Bullion from London - - - - -	87,713
Bills drawn on London - - - - -	1,105,830
£.	2,550,347

In the statement of demands of the East India Company on Government there is this item of claim, "Extra expenses at St. Helena, from October 1815 to 30th April 1822, 950,927 *l.*" So that the Company has, in the settlement with the Crown, been repaid this sum, but no entry has been made to credit it, *in reduction of the expenses at St. Helena.* It will perhaps be said, that if the whole sum received from Government, 1,300,000 *l.*, be credited as a Territorial receipt, then the 950,927 *l.* due to territory for extra expenses at St. Helena, is included. I do not admit such conclusion: it must be *first* ascertained that 1,300,000 *l.* is *all* that is due to the Territorial branch for *its part* of the general account of the Company, settled with Government in 1822. It may be more or less; but as far as the accounts which are the subject of these observations furnish information, no step has yet been taken to show the fact, and until that be done, there can be no correct statement made out of the accounts intended to be embraced in the plan submitted by the Court, and approved by the India Board, "for keeping and arranging the books of account of the East India Company in England." The observations in regard to the expenses of St. Helena, apply in principle to all the other items contained in the Company's account with Government, which furnish matter for debit or credit to the Territorial branch; and it will therefore be manifest, to every one conversant with details of this nature, that it is indispensably necessary an account should be taken distinguishing the items which belong respectively to the Commercial branch, to the Territorial branch antecedent to 1814, and to the Territorial branch from 1814; and that corresponding entries should be made in the Company's books, and so become intelligible on the account furnished to Parliament, and thereby correct, in the particular account under notice, the deficiencies and irregularity which at present exist. This account would then become the basis of any general statement of the receipts and disbursements of the Company in England, so far as regards the Territorial branch. My experience of the great regularity and correctness of the public accounts in India, combined with the high reputation for distinguished ability so justly enjoyed both by the Company's principal officers in the department of

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accounts in England, and by those of the India Board, led me into a too confident expectation that there would be found, amongst the numerous documents which have been submitted to Parliament, such a general statement of all receipts and payments in England, from 1814-15 to 1828-29, under the plan for separating the Territorial from the Commercial accounts, as would have exhibited the proportions of *each* which constituted the *whole*, and in that manner have afforded satisfactory evidence of the sources of all receipt, and the character of all expenditure, with the additional and ready means of satisfying the scrupulous or sceptical, by reference to, or, if necessary, by analysis of, the various figures, the accuracy of which as results became pledged by their introduction into such a statement. I hoped I had found a document of this description in No. 21 of the papers relating to the finances of India, and the trade of India and China, (p. 48 of papers ordered to be printed 9th February 1830); and with the view of clearing the ground before me, by ascertaining if the Accounts Nos. 1 and 2 (ordered to be printed 3d of June 1830), of the Territorial with the Commercial branch, were adopted, as they should be, into the general statement, I prepared the analysis of these Accounts, Nos. 1, 2, 3, 4, and to which I have added, for more easy general reference, abstracts of their contents, Nos. 5 and 6. Some large differences which were apparent on cursory inspection, induced me to make an adjustment between that part of the General Statement No. 21, and the Accounts Nos. 1 and 2, *both being professedly the accounts of all receipts and payments on account of the Territorial branch*. The result of that comparison is shown by the differences exhibited in the adjustment Statements Nos. 7 and 8, and which of course must be in every particular reconciled, before either document can be adopted as deserving of credit in respect to the results they would go to establish.

2026. You are understood to say that the accounts to which you have referred, namely, so much of the statement of No. 21 as relates to receipts and payments on the Territorial account, and Nos. 1 and 2 of the accounts between the Territorial and Commercial branches, do not enable you to conclude that the balance of 3,184,763 *l.*, stated in the latter to be due from the Territorial to the Commercial branch, is correct?—I mean to say so, because as several items of large amount differ, which purport to represent the same transactions, one or the other must be wrong; and until these differences are reconciled, no dependence can be placed on the correctness of either account.

2027. Can you state any of those differences?—

Under the head of Political Freight and Demurrage, there is a

difference of 531,292 *l.*, by Statement No. 21 charging £. 2,180,991

The Account No. 1 having only - - - - - 1,649,699

I have already noticed that of 1,300,000 *l.* not charged to the Territorial branch, and which was part of the final payment in 1822 of the loan from Government in 1812.

Besides which, there is charged to Territory in Account No. 1,

for Stores exported to India - - - - - £. 7,193,227

Statement No. 21 charges only - - - - - 6,322,078

Of this now existing difference - - - - - 871,149

I trace by means of another account, (p. 7, Mr. Melvill's evidence, 7 June 1830) that additional charges have been made, I conclude since the Accounts Nos. 1 and 2 were prepared, to the amount of - - - - - 655,894

So that when an adjustment of the above is perfected on these accounts, there will still be a difference of - - - £. 215,255

Again, with respect to the charges for bills of exchange drawn for principal of debt, it is evident to me that neither of these accounts states the transactions correctly which belong to the redemption of the Indian debt. The true amount redeemed through the joint means furnished by the fund of "Surplus Commercial Profits," and by Territorial assets in England, is not apparent.

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The Statement No. 21 charges Territory for bills of exchange drawn from India for principal of debt, from 1814-15 to 1822-23 inclusive, and which are not charged in Account No. 2; these therefore are taken to have been paid from surplus commercial profits - - - - -	£.	
Ditto in 1823-24, of which, in Account No. 2, there is charged to Territory - - - - -		* 681,094
And surplus Commercial profits is stated to provide - - - - -	£. 1,568,491	1,396,842
Ditto in 1824-25 and 1825-26, No. 21 and No. 2 agree - - - - -		2,965,833
Ditto in 1826-27, 1827-28 and 1828-29, Territory is charged in Statement No. 21 - - - - -		992,185
But in Account No. 2, there is only - - - - -	88,689	252,981
The remainder is therefore taken to be provided from surplus commercial profits - - - - -		* 164,292
Principal of India debt paid in England - - - - -		4,891,593
Of which, by Territory, as per Account No. 2 - - - - -		2,649,365
By surplus commercial profits - - - - -		2,242,228
And in Statement No. 21, in 1818-19, Territory is charged for bullion transmitted to India to be there applied in discharge of India debt. This very properly does not appear in No. 2. It is an appropriation or disposal of profits, not an advance to Territory - - - - -		1,000,537
Statement No. 21 does not contain, as it ought to do, a further appropriation of surplus commercial profits made in the year 1821-22; this sum was made received to the Territorial Account in London, the equivalent being ordered to be applied in India, to the payment of so much of the India register debt - - - - -		1,500,000
In this manner surplus commercial profits are shown to have been applied in London to discharge India register debt - - - - -	£.	4,742,765

N. B.—Subject to explanation in respect to the items above marked (*).

The Reduction in the India register debt would therefore appear to have been:	£.	
Discharged in England - - - - -		4,891,593
- - - - - India - - - - -		2,500,537
	£.	7,392,130
Provided in England from surplus commercial profits - - - - -	2,242,228	
- - - India from ditto supplied from England - - - - -	2,500,537	
	4,742,765	
Provided from Territorial assets in London - - - - -	2,649,365	
		7,392,130

2028. Are there any other items on which observations suggest themselves to you?—There is one, representing payments to a very large amount, which obviously calls for explanation; I mean the charge made to the debit of the Territorial branch in the Account No. 2, for bills of exchange drawn from India in discharge of interest of debt: The charge is in the year 1821-22, 1,562,522*l.*, 1822-23, 1,419,587*l.* The first of these sums is, I believe, more than the annual interest of the whole of the Indian debt of that time; and I had made some calculations to support, by deductions, my opinion that those charges required an explanation which I could not anticipate; but having since read Mr. Melvill's evidence, I found a better confirmation of my ground for doubt. To question 5684, a part of his answer will be seen to be, "The result of all these statements is, that the interest demandable in England is 1,491,500*l.*, and that the amount which has been so demanded was 843,000*l.*;" but in this I observe, Mr. Melvill includes 94,000*l.* for Carnatic debt, of which there is a separate charge. I therefore understand him to say, the largest sum that has been demanded in any one year, with reference to this remark, was 749,000*l.*; and the accounts show the sums paid in 1820-21, to have been 678,988*l.*; in 1823-24, 620,132*l.*; these years being that which preceded and which followed the above quoted amounts, which, without explanation, cannot be accounted correct.

2029. Have you considered any other of the various accounts which have been printed by order of the House of Commons?—I have; but it may be right for me to mention in this place, that before I entered on the consideration of these accounts, I had not read any of the evidence that had been taken connected with the

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the financial situation of the East India Company's affairs, or considered with any attention the conflicting statements which have appeared. After I had formed my opinion of the uselessness, for any practical purpose, of the accounts in their present state, to which my remarks have been hitherto confined, I read Mr. Melvill's evidence of the 7th and 17th of June, and I have considered the statements which are appended to it, and printed in pp. 32 to 35. The first of these is an account of the whole net return yielded by the East India Company's Commercial capital from 1814-15 to 1828-29, by investment in merchandise or otherwise, and showing the appropriations of such net profit. The second account is explanatory of results assumed into the first. Amongst the sources of profit coming to the Company under the term *or otherwise*, will be found the sum of 1,497,842*l.* as a surplus of sums charged upon private-trade goods, beyond the amount of Commercial charges-general in England, not debited to the Company's own trade. In other words, the Company's charges-general are reduced by the amount charged to the home trade from India and China; the remainder of such charges-general is paid out of the profits resulting to the Company from their management of private-trade goods; and after paying such remainder out of that fund of receipt, there is left a profit on this account of 1,497,842*l.* This result is not, in my mind, reconcileable with the figures having reference to these transactions, which are adopted into the Statement No. 21, where the Commercial charges-general in England are stated to have amounted, from 1814-15 to 1828-29, to - - - - - £. 6,733,154

On the receipt side of the same account, there is charges and profits
on private trade - - - - - 2,425,184

When the whole of this receipt is applied in reduction of Commercial charges-general, there will remain to be cleared - - - 4,307,970

In the accounts of whole net return of the East India Company's Commercial capital, the charges on Indian trade are £. 1,355,483

China - - - 2,807,042

Together - - - 4,162,555

Then leaving on balance as uncleared, not being charged to particular accounts - - - - - £. 145,415

Adopting, in this manner, the figures in the general Statement No. 21, the result exhibited by applying the rule laid down in the account of the whole net return of the East India Company's commercial capital, is, that instead of there being a profit of - - - - - £. 1,497,842

There would remain a balance still to be cleared from charges-general, of - - - - - 145,415

It appears to me, therefore, that the figures in one or the other of these accounts are to a very great amount wrong. The object I have had in going into these details, which I have not been accustomed to for a great many years, was to endeavour to convince other persons, as I am myself convinced, that no statement can be of any use whatever to the right understanding of the real question, of how much money the East India Company have gained by their trade from the year 1814-15 to the year 1828-29, that is not the result and the representative of regularly balanced accounts, embracing not only all receipts and payments in England, but containing also adjustments, on mercantile principles, of the accounts of the commercial agencies in India and China. In this manner the real profit or loss on every branch of trade may be ascertained with the greatest precision, relying as I do on the strict regularity with which all the materials have been furnished from India, and having no doubt that those materials are as perfect here.

2030. The documents, as at present furnished, do not enable you to come to any conclusion one way or other?—Certainly not.

2031. Are the Committee to understand from the statement which you have now made, that you do not conceive the union of the administration of the two departments, Commercial and Territorial, in one body, ought to occasion any difficulty in the way of a correct balance-sheet being made out of the separate affairs of each?—Certainly not, after the precautions taken to produce it by the scheme adopted under the direction of the Act of 1813.

N. B.—For the Evidence taken 16 July, see pp. 182-192, and 218-229.

Sabbati, 4^o die Augustii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

James Cosmo Melvill, Esq. called in ; and Examined.

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Esq.
4 August 1832.*

2032. YOU have seen the Report, No. 43, of the Finance Committee Papers upon the Financial Accounts of the East India Company, have you not?—I have.

2033. Will you state whether there are any remarks you would wish to make upon that Report?—So far as I am able to form a judgment of it from a cursory examination, it appears to me to contain a very fair and comprehensive statement of the Financial concerns of the Company since the year 1814, and it is particularly satisfactory to me, as being confirmatory of the views given in my former evidence of those concerns. There are some minor points in which I might differ from the statements given in this Report; for example, it contains observations respecting the mode of ascertaining the loss to the Commercial Branch by the Board's rate of exchange. I should be disposed rather to take the view of that subject which the Court of Directors have expressed in their protest, than the view taken in this Paper; at the same time this question of exchange is a debateable point, and unimportant practically in its results, so far as their accounts are concerned, the Company not having preferred any claim to be paid, in their Commercial capacity, the amount which the Indian Territory has gained by observing the Board's rates; the object of the Company in seeking a correction of the rates of exchange has been that the extent of the assistance which the Commerce affords to the Territory, should be fully shown. I observe that a number of items of receipt and expenditure are classed in this Report as "Deferred Items," but I presume that title cannot be meant to convey any doubt as to the propriety of debiting and crediting those sums to the India Territory. My understanding of the case is this, in India an account is kept of transactions between London and India, and in London adjustments are made in that account; certain items have been adjusted in the London account, and have not been carried yet into the Indian account, and these are principally what I see classed as "Deferred Items." The Committee will allow me further to add, that the result of these adjustments, in other words the balance of this account called "Deferred Items," is an additional credit to India of 3,587,000 *l.* more than was credited in the account kept in India; the London adjusted view is to that extent more favourable to India than the Indian view.

2034. What is the present amount of the Company's home bond debt?—*£. 3,527,243.*

2035. What view do the Court of Directors take of the character of that debt?—They consider it wholly Territorial.

2036. Has it been the custom to consider that debt as wholly Territorial?—The character of the bond debt had been always considered a point in suspense until lately, when the Court of Directors having been called upon, by the Commissioners for the Affairs of India, fully to explain the state of the Company's affairs in the event of their being dispossessed of the territory, the Court felt it necessary to investigate the character and constitution of the bond debt, and they came to the conclusion which I have stated.

2037. Can you refer the Committee to any documents in which the debt is considered as wholly of a territorial kind?—I would refer the Committee to a Report of a Committee of the House of Commons in 1783, which states that the bond debt had either been caused, or its discharge prevented, by military expenditure, in acquiring the territory. I am aware that that Report applies only to the bond debt which existed in 1783, but the Commerce of the Company has since paid in interest upon that debt more than the difference between the bond debt in 1783 and its present amount; besides which the state of the account between the two branches of the Company's affairs from 1780 to 1814, which was laid before the Committee last year, shows that the Trade had assisted the Territory to a much greater extent than the whole amount of increase of bond debt. The conclusion, therefore, seems to me inevitable, that the whole of the bond debt is Territorial.

2038. In

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2038. In point of fact, as far as the documents are concerned, does the claim of the Company to consider the bond debt wholly territorial rest only on the Report of the Parliamentary Committee of 1783?—Upon the Report of the Committee of 1783, and upon the statements of account between the Territorial and Commercial branches, which were laid before the Parliamentary Committee in 1831, and appended to their Report of October of that year, (page 560, in the Appendix to that Report,) from which it appeared that up to 1814 the Commerce was 12,044,934 *l.* in advance for the Territory.

2039. What was the amount of the bond debt in 1783?—It was 1,497,000 *l.*

2040. It is stated in that Report to be the expenses incurred by the Company, in the wars antecedently to the acquisition of the Dewanny?—Yes.

2041. Is the Company's claim with respect to the bond debt limited to that amount?—No; the Company consider that the whole of the bond debt at its present amount is territorial.

2042. From that period up to the present time the amount of the bond debt has been fluctuating?—It has.

2043. At what period did it originate?—The Company were authorized by their charter to borrow money upon bond. The bond debt in 1750 was 4,065,000 *l.*

2044. That was before the acquisition of any territory?—Yes; previous to the acquisition of the Dewanny. The bond debt appears to have principally originated in money taken up by the Company to meet sums which they had agreed to lend to the Government, and which formed one of the Government stocks, called the "East India Annuities." The amount of stock so created by loan from the Company to the Government was 4,200,000 *l.* in 1750, and their bond debt in the same year was 4,065,000 *l.*

2045. Previously to the acquisition of the Dewanny, and to any expenses incurred in the wars, would you not consider the bond debt to have been of a commercial character?—Clearly so; but the Committee are aware that the expenditure on account of the wars reported upon in 1783, had been going on for 15 years previously to 1765, and had terminated in the acquisition of the Dewanny; bonds raised to meet that expenditure were obviously on the territorial account.

2046. Has not the attention of Parliament been particularly directed from time to time to the Company's home bond debt?—I presume it must have been; Acts having been passed upon that subject.

2047. The increase of the debt for particular purposes has been the subject of legislative enactments?—Yes; the 7 Geo. 1, c. 5, authorized the Company to borrow upon bond to an extent not exceeding the debt due by the public to the Company; the 17 Geo. 2, c. 17, authorized the Company to lend one million to the Government for 14 years, and to borrow it on bond; the 23 Geo. 2, gave permission to the Company to sell their East India annuities; the Regulating Act, 13 Geo. 3, required the bond debt to be reduced to 1,500,000 *l.*; the 23 Geo. 3, c. 36, authorized its increase to 2,000,000 *l.*, requiring however, that when circumstances permitted, it should be reduced again to 1,500,000 *l.*; the 28 Geo. 3, authorized the Company to borrow upon bond a further sum of 1,200,000 *l.*; the 33 Geo. 3, required that the bond debt should be brought down again to 1,500,000 *l.*; the 34 Geo. 3, c. 41, allowed the bond debt to remain permanently at 2,000,000 *l.* instead of 1,500,000 *l.*; and also authorized its increase, if necessary, to 3,000,000 *l.*; the 47 Geo. 3, c. 41, authorized the Company to borrow a further sum of 2,000,000 *l.* upon bond, and the 51 Geo. 3, gave further authority to borrow 2,000,000 *l.* more on bond, providing at the same time that not more than 4,000,000 *l.*, including what they had been authorized under the Act of the 47 Geo. 3, should be raised. I believe the effect of all those enactments is, that the Company are authorized, with the approbation of the Board of Commissioners, to have a bond debt of 7,000,000 *l.*

2048. Is it not the case that in many of those Acts to which you have now referred where an increase of the bond debt is authorized, that increase is expressly declared to be for the purposes of the Company's trade?—Expressions of that kind will be found in all the Acts which were passed before the Company assumed a political character, and there is also such an expression in one of the subsequent Acts, 23 Geo. 3, c. 36; but if the Committee will be pleased to refer to the Act 51 Geo. 3, c. 64, s. 1, the last Act authorizing borrowing on bond, and which gives the largest power, they will perceive a distinct declaration that the necessity for borrowing was wholly political.

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2049. Are there not expressions directly to the effect supposed in the previous question, also in the 7 Geo. 1, the 23 Geo. 3, the 28 Geo. 3, the 34 Geo. 3?—I am not aware that there are, except in the 7 Geo. 1, when the Company were exclusively commercial.

2050. Will you turn to the Act of the 7 Geo. 1, c. 5, s. 32?—That enactment states that the money borrowed on bond is “for carrying on the trade, or by way of bottomry.”

2051. Will you refer to the 23 Geo. 3, c. 22?—The Company were then also exclusively commercial, and that Act continues the power for raising money for commerce or bottomry; the 23 Geo. 3, c. 36, s. 2, states, as I before observed, that the 500,000 *l.* which it authorized to be borrowed on bond, was for commercial purposes.

2052. Was that sum raised?—Yes, it was.

2053. Will you refer to the 28 Geo. 3, c. 29?—That enactment authorizes borrowing on bond for joint purposes.

2054. Will you refer to the 34 Geo. 3, c. 41?—That authorizes the continuance of the bond debt at 2,000,000 *l.*

2055. No distinction appears to be recognized between the political and commercial purposes in the two last Acts?—No.

2056. Therefore the subject can be determined only by an investigation of the accounts?—Independently of the admission of the Committee of 1783, as applicable to the bond debt at that time, I consider that the character of the remainder of the bond debt must be determined by the state of the account between the two branches.

2057. There were funds avowedly commercial, such as the sum due from the Government to the Company, termed the East India annuities, and also the amount raised as capital stock, which at various times were treated by Parliament as interchangeable with the monies raised by bond, the one diminishing as the other increased?—No doubt; Parliament, previously to 1814, appear to have treated the whole as a joint concern, and to have even authorized an increase of capital for political purposes, and capital was actually so applied in 1793–4.

2058. You have referred to a Report of the Committee of the House of Commons of 1783, on the territorial character of part of the bond debt; in the previous Report of March 1782, the Committee state that the public consented to forego their participation in the profits of the territorial acquisitions, in order that they might be applied to the reduction of the Company's bond debt; in what way do you conceive that bears on the Company's present claim?—That seems to me to show that political funds were considered available to the discharge of the bond debt, and consequently confirms the view I have taken as to its character.

2059. In point of fact, was there not a sum of 1,453,570 *l.* applied out of the territorial profits to the liquidation of the bond debt, in consequence of that arrangement?—A large sum of money was so applied agreeably to law. The Government share of the Indian revenues was to some extent applied to the discharge of the bond debt.

2060. The amount so applied appears to be one-half of the bond debt at the time; assuming that to be the case, is it not to be inferred that if, of the amount of the bond debt admitted to have been of a mixed character, one half was then discharged from territorial funds, what remained was rather commercial than territorial, and is not that the only practical solution of the difficulty which can be found in the absence of any accurate separation of the accounts?—It would be impossible for me to come to that conclusion with the statement of the Committee of 1783 on record, because that Committee distinctly stated that the whole of the bond debt then existing, either arose from the military expenses, or that the Company were prevented by those expenses from discharging it.

2061. You consider that such a construction would be inconsistent with the Report of the Committee of the House of Commons in 1783?—I do.

2062. Do you consider that the military expenses to which you refer in your last answer were totally independent of the commercial character of the Company; was no part of the territory, acquired or defended, useful to the Company, if not necessary, with a view to its commercial prosperity?—Perhaps entirely so, up to the year 1750, but the statement of the military expenses is retrospective only to 1750, and the wars which succeeded to that period were a struggle on Indian ground between European powers, rather than for internal security.

2063. Was

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2063. Was not a considerable portion of the debt existing in 1783 a part of that which existed in 1750?—The bond debt in 1783 was less than in 1750.

2064. At what amount do you imagine the bond debt stood at the commencement of the period to which the observation in the Report of 1783 as to military expenses referred?—The statement in 1783 did not I believe go further back than 1750, when the amount of bond debt was 4,065,000 *l.*, but the Committee will observe that at that time there was an available commercial asset of 4,200,000 *l.* in East India annuities. The money borrowed on bond, and which formed the bond debt, was lent to Government, and that loan to Government formed the asset; and the bond debt was subsequently reduced by a corresponding reduction of the asset.

2065. You have stated that the military expenses previous to 1750 were intimately connected with the commercial character of the Company, but that the expenses between 1750 and 1783 were more of a political and even of an European character;—as it appears that the bond debt was higher in 1750 than it was in 1783, upon what ground do you consider the debt existing in 1783, as arising out of the expenses between 1750 and 1783, rather than of those prior to 1750?—Because the reduction of the bond debt in the intermediate period had been effected entirely by the reduction of the commercial assets of the Company, in the sale of their East India annuities. Independently of that circumstance, there was an increase of the bond debt caused, as the Committee stated, by military expenses.

2066. When you say that the bond debt is to be considered as wholly territorial, you mean, that supposing the Company entirely to be separated from the territory, the bond debt should be a charge upon the territory?—Certainly; I mean that no part of the bond debt should be considered an incumbrance on their trade.

2067. You probably speak upon the principle of equity; in law, the Company is bound to pay the bond debt, and the territorial debt also?—I have no doubt of the obligation of the Company, in point of strict law, to provide for the home bond debt. The territorial debt may possibly be differently circumstanced.

2068. In one of the papers it is stated that the first Act which authorized the bond debt was the 9 & 10 Will. 3, c. 44?—That Act authorized the Company to borrow money under their seal, and required the period of six months to be specified in the bonds. This enactment was framed to protect the Bank of England. When that Act passed the Company were exclusively commercial, and the permission to borrow must have been for the trade only.

2069. It has been stated that the Company possess, as a commercial corporation, forts, towns, islands, territories and rights abroad, their absolute property in which has never been questioned, the same having been obtained by purchase, amicable grant or negociation previous to the acquisition of the Dewanny; has any valuation ever been made of those proprietary rights?—I am not aware that the Company ever made a valuation; Mr. Dundas referred to one in the year 1793, in a speech he made in the House of Commons on proposing a renewal of the East India Company's charter.

2070. Was that the valuation made by Mr. Russell?—I believe so.

2071. Was it made by the authority of the Company?—No, Mr. Russell was an officer of the Board.

2072. Is there any where a specification of those possessions, stating what they are?—I am not aware that there is any distinct specification on record. I will, however, give to the Committee all the information I can upon the subject. The Committee are of course aware that the earliest charter of the Company gave them a right to acquire lands without any reserve; the right of the Company to the property in the lands acquired under that authority, does not appear to have been questioned for a century and a half; and when questioned, it was only with respect to *recent* acquisitions. After the battle of Plassey in 1757, doubts appear to have arisen whether territory and booty acquired by force of arms in India did not belong to the Crown; with a view of removing those doubts, the Company presented a petition to the Crown, the object of which was to obtain a grant of all that might be acquired by conquest.

2073. Territory as well as booty?—Yes; this petition was referred to the law officers of the Crown, who gave it as their opinion that all places which the Company acquired by treaty or grant from native princes were their property, the

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sovereignty vesting in the Crown; but that as to places acquired by conquest, the property, as well as the dominion, vested in His Majesty.

2074. Will you state the names of those who gave that opinion?—They were, I believe, Sir C. Pratt and Sir C. Yorke. Notwithstanding this opinion the King's Ministers, in 1762, seem to have thought that even *conquered* territories were the Company's, because, in answer to the ministers of France, who were then seeking restitution of territory and property which had been acquired on the continent of India by the East India Company, the King's Ministers answered in these words: "Respecting those territorial acquisitions the English East India Company have made in Asia, every dispute relative thereto must be settled by that Company, the Crown of England having no right to interfere in what is allowed to be the legal and exclusive property of a body corporate belonging to the English nation." It must, however, be admitted, that subsequently Parliament, in the various enactments made for continuing the territory from time to time in the hands of the East India Company, has asserted a right to control and appropriate the territory, always distinctly reserving the rights possessed by the Company and the public, previously to every new arrangement; and it is worthy of observation, as showing the distinction between the old and the new territory, that the first Act which gave the Company a Parliamentary tenure in the territory (the 7 Geo. 3, c. 5,) was restricted to territory "*recently acquired*." Waiving then the question regarding the territory acquired by conquest, I may, perhaps, assume it to have been settled that all acquisitions by purchase or amicable grant belonged to the Company in perpetuity; of this description are Fort William, Calcutta; the commercial factories in Bengal; the ground-rents of all those places; Fort St. George, Madras; the Jaghire there, Vizagapatam, Bombay, and the Northern Circars; there is also property rather differently circumstanced, which was acquired in the period intervening between the battle of Plassey and the acquisition of the Dewanny in 1765, but which was obtained by cession rather than by conquest; such is Burdwan, Midnapore, Chittagong, and the 24 Pergunnahs. I will now, with the permission of the Committee, read to them a passage from Mr. Dundas's speech in the House of Commons in 1793, upon this subject: "If the exclusive charter should expire in 1794, still the Company would be a body corporate, and permitted and entitled to trade upon the joint stock. To whom, in this case, would the most important seats of trade in India belong? to the Company undoubtedly. Under their original and perpetual charter they have legally purchased or acquired Fort St. George, St. Helena, Bombay, and Calcutta, and long before they were possessed of the Dewanny; those possessions are their patrimonial property, and cannot be taken from them. Upon the whole, exclusive of the Dewanny they have an unalienable right to valuable landed possessions, amounting at least to 250,000 *l.* per annum."

2075. Are there any particular treaties or deeds under which those possessions are held to which you can refer?—I have no doubt there are such treaties; but I am not prepared with the means of referring to them now.

2076. The Company's proprietary rights in India may be said to resolve themselves into real and personal?—Principally real property, I imagine; what appertains to them of personal property as a corporation is kept distinct, under the plan for the separation of accounts.

2077. You have stated that they have a property in lands in India?—Yes, I imagine so.

2078. Are not rent and revenue in India nearly synonymous?—The government revenue in India is principally derived from land.

2079. The land revenue in India is altogether different from that raised in this country; the latter is a rateable tax upon the rent; but in India the land revenue is almost always the greater part, often the whole of the rent, and sometimes even more, is it not?—I believe that in many parts of India the government revenue from land is equal to its full rent.

2080. In respect of those places you have enumerated, is it as sovereigns or as landed proprietors you apprehend the Company would hold them?—I conceive it is as a body corporate established under charter, with power to acquire lands, that they would hold them.

2081. Supposing that the Government claim the sovereignty, but acknowledging the ownership of the Company, leaving them, the Company, to deal as they may think proper with the lands, would not the adjustment of the Government dues be in this case, as in all others, the condition of such possession?—Of course; if the Company possessed property in India, and ceased to exercise the sovereign power there

there, their property would be taxable, in common with other property, providing that the title under which they held the property did not contain an exemption from taxes.

2082. The Government part would be first set apart, the rest would continue in the hands of the Company or of natives?—Yes; but I believe it will be found that the grants of this property to the Company comprised not only an exemption from taxes, but also a power to levy duties. I would here observe upon the subject of the territorial claims of the Company generally, that the Court of Directors have not thought it right to state those claims specifically, considering that it will rest with their constituents to do so at the proper time.

2083. Independently of the sovereignty, do you consider that the Company have proprietary rights in the customs of Calcutta and Bombay?—It certainly appears to me that if the Company should be dispossessed of the territory, they would have an equitable claim to consideration in respect of the duties, upon the ground that by grant from the former sovereign, the Mogul, they were authorized to collect on their own account the whole of the duties in those places which are now the principal seats of trade; and this authority they possessed by free grant, and not as the result of force of arms. Therefore if another power steps in and deprives the Company of their territory, it appears to me that compensation should be made for the loss of a valuable gift from the Mogul to them.

2084. That grant of the power of collecting the duties appears in the original title?—It does.

2085. Can you state upon what principle it is that the Company regulates its grants of pensions; is it from the nature of the office, or the length of service?—There are Acts of Parliament that prescribe regulations for the grant of some kinds of pensions, others are granted under regulations of the Company, and in other cases the Company grant pensions at discretion, upon the circumstances of the case. In the first class are comprised pensions to the King's Judges, Bishops, and Archdeacons, and to the officers of the India Board and the India House. In the second class, retired allowances to military officers, and also to the widows of those officers, respecting whom however the only provision made by the Company alone is that called Lord Clive's Fund, other provision for widows and families being made by funds established in India at each of the presidencies, and which are maintained by the joint contributions of the Company and the service.

2086. With regard to the other class, where the Company exercise discretion, are there any fixed principles by which the amount of the pensions is regulated?—Extraordinary service; extraordinary suffering, and poverty, are the circumstances which seem to me generally to influence the grant in these cases.

2087. Is the consent of the Court of Proprietors necessary before a pension can be granted by the Directors; or is the amount which the Directors can grant, without such consent, limited?—The Court of Directors are prohibited from granting a pension to any one person exceeding 200 *l.* per annum without the sanction of two general courts, specially summoned for that purpose, and without the approbation also of the Board of Commissioners; they are also prohibited from granting to any one person any gratuity exceeding 600 *l.* without such sanction.

2088. Then all pensions under 200 *l.* may be granted by the Court of Directors?—Yes; but statements of all pensions granted must be laid before Parliament.

2089. Although the granting of those pensions under the third head is at the discretion of the Directors, is there any understood principle by which the amount of the pension is determined?—The circumstances of the individual.

2090. Is the length of service adverted to?—Always.

2091. As in the granting of pensions by Government, is there always regard to the length of service and amount of salary?—In the first class of pensions there is a distinct regulation prescribed by Act of Parliament, which makes the pension dependant on the time of service, and the proportion of salary.

2092. Although there is no fixed rule, is there any understanding upon which the amount of pension is fixed?—No other understanding as to cases in which the grant is at the discretion of the Company, than that the amount is to be fixed in reference to the services and circumstances of the individual.

2093. Is it in the power of the Directors to vary the amount of salaries of the persons employed in the civil department?—Certainly; but they cannot make any

II.
FINANCE.

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James C. Melvill,
Esq.
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increase beyond the amount of 200 *l.* a year without the consent of two general courts and the Board of Commissioners.

2094. Referring to the Appendix No. 35, of the Report of October 1830, do all those allowances admit of augmentation or diminution according to the discretion of the Court of Directors?—They do; subject in cases of augmentation beyond 200 *l.* a year, to the approbation of two general courts and the Board of Commissioners.

2095. In the instructions that were given to the Civil Finance Committee, the commercial establishments of the Company in India were reserved for special consideration. The Court of Directors, however, in their letter to the local government, noticing the appointment of the Finance Committee, observe, that they saw no reason whatever for any such reservation; can you inform the Committee whether the Finance Committee did include those establishments in their inquiries, or whether those establishments have been made the subject of any inquiry since the Finance Committee ceased its operations?—I rather think the Finance Committee had ceased its operations when those orders were received in India; I am not aware of any information having yet reached this country that the orders have been acted upon. I conclude, however, that though the Finance Committee had ceased, the Government will have instructed some other persons to revise the commercial establishments.

2096. Do you concur in the Estimate Mr. Lloyd has given before the Lords' Committee? [*The same being shown to the Witness.*—Yes; the Estimate is more fully given in page 560 of Appendix to Report of October 1831.

James Pennington, Esq. called in; and Examined.

James Pennington,
Esq.

2097. WILL you explain what you mean by the term "Deferred Items," which forms the head of Account No. 5, page 15, in your Report?—That head of account comprehends all those items which do not properly fall under the head of Revenue and Charge, or of Debt Incurred and Paid Off; under what head of account they ought to fall is a point with respect to which I did not consider that I was required, in that Report, to offer any opinion.

2098. Will you explain what you mean by the item "Difference of Exchange between the Board's rates and the rates at which bills are actually drawn"?—The bills drawn for the interest of the Indian debt were drawn in the early part of the period at higher rates of exchange than those prescribed by the Board of Commissioners; the difference of 213,515 *l.* arises from that cause.

2099. In what period did that difference arise?—From 1814 to 1829.

2100. What is meant by "Bhurtpore Prize Stamp"?—I do not exactly know; but I rather think that India has given credit to London for the stamp duty, in consequence of not being aware that it had been reimbursed in London by the captors.

2101. (*To Mr. Melvill.*)—Will you turn to the account of the deferred items in page 15, and explain the item "Bhurtpore Prize Stamp, 25,000 *l.*"?—That is the stamp duty upon the grant of the Bhurtpore prize money, which duty was paid in London; we have charged it to the captors, and have therefore omitted it in the sums chargeable to India; but India having been reimbursed the amount by the captors, has credited it to London, where the payment was required to be made to the Treasury before the warrant for distributing the booty could be issued.

Lunæ, 16^o die Julii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

Mr. John Wilkinson called in; and Examined.

Mr. J. Wilkinson,
16 July 1832.

2102. FOR what purpose did you go out to India?—To superintend the introduction of an improvement in the silk reeling, for Mr. Heathcoat.

2103. Is Mr. Heathcoat engaged in business?—A large manufacturer of bobbin net, at Tiverton.

2104. You went out to introduce his improvement into India?—Yes, to the reeling of silk.

2105. When did you go?—In April 1826.

2106. Where did you go to?—To Bengal.

2107. What part of Bengal?—To Santipoor.

2108. Did

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2108. Did the experiment succeed?—It succeeded partially.

2109. State what course you pursued on your arrival in India, and what stations you visited.—The first object of my going out there was to endeavour to introduce to the notice of the holders of private filatures, the invention, it having been declined by the Company here.

2110. Describe the invention.—It is a plan for ensuring a more even thread, by dividing the cocoons into sets, and which has been practised with great success in Italy and France.

2111. First classing them?—First classing them.

2112. Classing them into silks of the same dimensions?—Yes, by dividing the cocoons as they first run from the basin into separate sets, and afterwards uniting them into a thread of the desired thickness.

2113. In what part of Italy has that been practised, and when was it first introduced?—It was introduced in about the year 1824; I could not say particularly in what parts of Italy.

2114. Did you apply to the Court of Directors for permission to go out?—I applied to the Company for permission to proceed out; Mr. Heathcoat offered the use of the invention to them, and they were willing that he should make an experiment on his plan, but here the Court of Directors declined it.

2115. Was the application in writing, and have you got the correspondence that passed?—It was by written correspondence; but I have not got it.

2116. Will you state what course you pursued when in India?—When I got there I found there were no private filatures at work at all. I then brought the matter under the notice of the Company through the means of Messrs. Alexanders, and they were willing to make an experiment of it, the local government, which was done at Santipoor under my superintendence, and also at another filature, Rungpoor.

2117. You went to those filatures yourself?—I only went to Santipoor myself.

2118. Who was the Company's resident at Santipoor when you were there?—Mr. Edward Marjoribanks.

2119. And at Rungpoor?—Mr. Becher; the experiment was made to the extent of 100 bales, about 14 I think of which were reeled under my superintendence at Santipoor; there was a quantity reeled by Mr. Becher, at Rungpoor, and I did not remain in India till the whole of the 100 bales were completed, but returned to England with the first shipment; they have since been brought into the market, and on some of them there has been an acknowledged superiority.

2120. Were those which you superintended yourself visibly superior?—That I am not aware of.

2121. What arrangements did you make for classification, did you point them out to the natives?—I pointed it out to them, and I had a very simple piece of machinery applied to the reels then in use; it was merely a copper guide-plate, with holes, so as to ensure a division, and keep the cocoons in sets apart in the basin.

2122. Was the invention applied under your direction?—Yes, to the reels then in use.

2123. To what do you ascribe the partial failure that you speak of?—I should say it is partly owing to the want of good staple in the cocoons of India, and partly to the inattention of the natives, their carelessness; they require more superintendence.

2124. Has it been continued ever since?—No, it has not.

2125. Had you an opportunity of examining the different kinds of cocoons there; are they all of the same description?—No, they are not all the same; it depends very much on the season in which they are spun.

2126. What do you mean by good staple?—I should think the cocoon, as produced by the worm in India, very far inferior to that of the Italian; whether I am right in applying the term staple to it I do not know.

2127. What description of mulberry was in cultivation there for feeding the worm?—It was what they called the Indian Variety.

2128. Is there only one description of mulberry cultivated in the part with which you are acquainted?—Only one that I am aware of.

2129. What description of mulberry do you consider to be best calculated for the growth of silk in India?—I am not aware that they use any other than the Indian Variety.

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2130. But what description in your own opinion?—I could not say that there was any other tried; not as far as I am aware of; there was but one sort at Santipoor.

2131. What is generally called the White Mulberry?—No, the Indian Variety we should call it.

2132. At what age are each of the species of mulberry with which you are acquainted fit for picking?—The first in about four months after they are planted, and afterwards there is a crop about every eight or ten weeks.

2133. Have you ever tried or seen tried both the layer and the standard systems of cultivation?—There is a small plantation in the neighbourhood of Santipoor, not exactly on the standard plan, but rather, we should say, of jungle, suffering the plants to run up without thinning them.

2134. Explain the difference between the two systems?—The leaves of the one which I have just described are reckoned to be more nutritious, and the plant is also thought to suffer less from the weather.

2135. That is when they are planted in coppice?—Yes; and there is also a plantation of that kind at Hurripaul, but I am not aware of any other in India; all that I have seen have been in hedge-row.

2136. Do you know why that system of cultivation is followed in India?—No, I cannot say why, unless it is that it is the old custom, and that the other has not been introduced long enough to decide whether it is superior.

2137. In what month is the first crop gathered?—They vary in different districts; at Santipoor the crops were in March and April, July and November.

2138. Does this kind of mulberry grow in moist or in dry soil?—A dry soil is reckoned preferable.

2139. Do you know which crop is best, whether the one before the rains or after the rains?—The crop in the rains is the most abundant.

2140. The one that is gathered in July?—In July.

2141. Does it produce a fruit?—No.

2142. Is it considered that the leaves of the standard tree are less bitter and hard than those of the bushes or layers?—I never heard that stated, but I should suppose that they would be, inasmuch as they are higher from the ground.

2143. How high do the jungle trees grow?—About six feet, or perhaps more than that.

2144. In the coppice that you speak of, do you mean the stems grow from one stool as in coppice wood here?—Yes.

2145. They are cut down, and many stems shoot up from one stool?—Yes.

2146. At what period can a crop of leaves be gathered from each species?—I cannot speak as to the coppice wood, but from the hedge-row plantation in about four months, and then afterwards almost every eight or ten weeks.

2147. This hedge that you speak of is the division of the fields?—No, it is not the division of the fields, though they call it a hedge-row; it is a plantation rather.

2148. Explain what you mean by hedge-rows?—In rows about six or eight inches apart, and some space between each row.

2149. How high are they allowed to grow?—About three feet.

2150. Can you state how many crops are gathered from each species in the first year, and in each succeeding year?—I should say in the first year about four, and in the second year six.

2151. From each species?—Yes, from both the same.

2152. Will you state what you know as to the usual system of managing the hedge-row plantation of mulberry?—I should say they are planted about the end of November, generally, and the first crop of leaves is ready the next January or February; that they are hoed and dug between the rows; not much watered; weeded occasionally, I cannot say how frequently.

2153. Do they undergo any irrigation?—No. After the leaves are gathered, the plant is cut down to about a foot from the ground; once in the year, at the end of November, it is generally cut down to the ground, and at that time the ground is ploughed between, not at others.

2154. Who are the cultivators of the mulberry in India?—The ryots.

2155. Do they sell the leaves, or do they keep them for their own worms?—Generally the same parties keep them.

2156. Is there much capital invested in the production of the mulberry?—That I cannot say, it is a thing all among the natives, no European superintendence of it at all.

2157. Is

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2157. Is the practice of selling the leaves common?—Not common.

2158. Does it appear to you that much care was taken in the cultivation of the plant?—Not a great deal.

2159. Do you know what was the price of the leaves?—No, they are very seldom sold, they are generally grown by the parties who feed the worms, and if they are sold, it is between the natives, and I know nothing of it.

2160. Did you ever inspect the leaf at the time it was given to the worm?—No, I have never seen it before it was given; and when it is given it is chopped up so that I can form no idea of the state of it; I have seen them feeding, and the leaves are chopped up small.

2161. What species of worms are bred in the district with which you are acquainted?—There are only two, the one which they call the country worm and the large annual.

2162. Can you give the technical description; do you know any other name for it than that you have mentioned?—No, I do not.

2163. Do you know how often they change their skin?—No, I do not.

2164. Are you acquainted with any other varieties of the worm than those which you saw there?—No, I am not.

2165. How many crops of leaves do the trees generally produce?—There is one about every 8 or 10 weeks, after the first four months from their planting. It is four months after the first planting of these shrubs before you can gather a crop, and after that there is a succession about every 8 or 10 weeks.

2166. Can you state what are the distinguishing characteristics of the species of worm which you saw in India?—The distinguishing characteristic is, that the country worm hatches four times a year, and the large annual only once, from which it takes its name. I know of no other.

2167. Is the one species more hardy than the other?—I am not aware that it is; I think not.

2168. Or more prolific?—No, they are all alike prolific.

2169. Is there any difference in the silk produced by each species?—The difference seems wholly to depend on the season in which the cocoon is spun.

2170. And not upon the worm?—And not upon the worm, as far as the distinction between the country worm and the large annual goes.

2171. What is the best and the worst season?—The best season is what is called the November bund, (the cocoons are finished spinning about the beginning of December,) and the worst is the rainy.

2172. Is there more expense in the buildings or apparatus, or in the care attached to the cultivation of one species of worm than that of the other?—No, I should think not.

2173. Do you consider that a particular quantity of food is indispensable for particular varieties of worm, or that they will all live under the same circumstances?—The two that I have seen, would be quite alike with respect to their treatment in food, that is, the country and the large annual.

2174. You are not aware whether treatment made any difference in their health or product?—No.

2175. How soon after being hatched have you generally found the worms to commence their cocoon?—It depends very much on the time that they are hatched; sometimes between two and three months, in the hot season not much more than 30, or from 25 to 30 days.

2176. Is there any artificial heat ever used for the hatching of the eggs?—Never; it is not requisite at all in that climate.

2177. How is the temperature regulated?—They have a fire occasionally in the cold season, not for hatching the eggs, but for preserving the worm in the houses in which worms are kept at a proper temperature.

2178. Are they kept in a place where the light enters freely, or are they kept in the dark?—They are kept in a place where the light is excluded, but where the air is admitted, because there are no glazed windows; it is a mere hut, with a hole in the wall, before which they place a screen when they want to exclude the air, which excludes the light of course at the same time.

2179. In what state is the worm then?—During the whole time of its feeding.

2180. Then in point of fact it is kept in a dark place?—It is generally dark.

2181. Is the silk in the districts with which you are acquainted reeled by the peasantry, or in filatures?—In filatures; when I say the districts I am acquainted

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with, I know but little except of that at Santipoor, having never stayed at any other.

2182. Did you understand that it was reeled by the peasantry in other places?—It is partially so.

2183. Do you know what the process used by the peasantry in reeling is?—It is very similar to that used in the Company's filatures, but inferior.

2184. What is the process of reeling used in the filatures?—The process is by placing the cocoons in hot water, and winding them off upon reels which are fixed, the coppers being placed in masonry, and having under each a furnace for the purpose of heating the water; it is I believe entirely on the Italian plan.

2185. Into what cocoon is it usual for silk to be reeled?—It is according to the order received from England; the principal part of that which comes from Bengal is coarser than that from Italy, that is, there is a smaller proportion of the fine silk generally ordered by the Company than of the coarse.

2186. Do you consider that the method adopted in India is influenced by any regard to quantity rather than to quality?—I should say that it is.

2187. How so?—Inasmuch as it is more to the interest of the people who are concerned (the natives especially) to get a large quantity than to get a good quality.

2188. Why is that?—Because they get more in proportion to the price that it fetches.

2189. Has the improvement of Mr. Heathcoat been introduced into France and Italy?—Very generally.

2190. Did you hear much of the competition between the Company and the private traders in silk in India, as at all interfering with the purchase of silk?—When I arrived out there, that competition had almost ceased; there was not, I believe, a single filature at work by individuals, nor had been for some little time previous.

2191. To what is that attributed?—The great price that the Company has given to the rearers of cocoons, it was beyond what any private individual could give.

2192. What was that price, do you remember?—I think the average cost of the silk to the Company for the year 1826 was 14 rupees 6 annas per seer, but that includes the winding charges; I should say that was the cost of the invoice, but then what they gave the rearers I cannot exactly state.

2193. But the price of the raw article had been so raised that it was no longer the interest of the private companies to purchase at that rate, and therefore they had ceased to work it?—Exactly so.

2194. To what did you hear attributed the great price which the Company gave for raw silk?—I heard it attributed to different causes; one was that it was done with the express purpose of excluding individuals from competing with them; and another, that as it enabled those who were concerned in the getting up of it to get a larger commission, it was more to their interest than if it cost less.

2195. The agents were paid by a commission on the price?—Yes.

2196. And therefore the higher the price the greater their remuneration?—Yes.

2197. Did you not hear also that there had been orders from England to send home a much larger quantity than usual?—No, I do not remember hearing that generally, but the order for Santipoor had, I know, been larger for the year 1827 than for the preceding.

2198. Will you state any general observations that you made as to the system employed in India in the production and reeling of silk?—I should say that the inferiority of the silk arose in a great measure from the carelessness of the reelers; I have heard the inferiority attributed in a measure to their inability to do it better, in consequence of being overworked; that may be the case in some districts, but I should not say that it was in the one that I have seen. I think that they require much closer superintendence than is given; and that if Europeans or country-born people were employed in the filatures as overlookers, the silk would be wound in a much better manner. I can state as a fact that I brought over two sample skeins, which were wound under my own immediate inspection, I standing at the basin during the whole of the time; I showed them to a gentleman in London who is a large manufacturer, (I should have stated that this was reeled on Mr. Heathcoat's patent plan,) and he said, that if all the silk was like that it would be worth 2s. a pound more than the ordinary silk from Bengal.

2199. Were

2199. Were they picked cocoons?—No, they were not picked, but they were of the best bund, the November bund, perhaps better than an average lot even of that bund.

2200. Can you state what price that would yield relatively to Italian or French?—No, I cannot; for I have not seen this gentleman since. I mention this to show that the people are not at all inferior as workmen to those of Europe, and that as far as the winding is concerned, with more looking after they would be at least equal, if not superior.

2201. Without the introduction of fresh seeds from Italy, do you suppose it would be possible to make the Indian silk, by care in the winding, equal to the Italian silk?—I should say not equal; but I think that a very considerable improvement might be effected, both in the cocoon as it is spun by the worm, and in the silk afterwards as it is wound from the cocoon.

2202. In what sort of building is it that the worm is bred and fed?—Generally in huts.

2203. Is the same degree of care paid to it as in France or Italy?—Nothing like it; at least from what I have heard of the care that is given in Italy and France; I have seen nothing of that myself.

2204. Did it not appear to you that the cost of production even under a better system ought to be very low in India?—I have been told by a gentleman in the year 1826, that he could purchase silk for 12 rupees a seer, or that he could make it himself for 10 rupees 8 annas; the average price to the Company that year was 14 rupees 6 annas; as I stated before, this was in the year 1826.

2205. Have you any idea of the comparative labour between one of the natives of India and an European?—From a memorandum made at Tiverton, I find the average quantity of a fifteen cocoon silk reeled there was ten ounces per day from one basin. In India, the quantity of the same sized silk is not more than eight ounces and a half with the best cocoons (otherwise a much smaller quantity), although they wind in India two skeins at once on to the reel, and at Tiverton only one; had they wound two, the produce would be at least sixteen ounces.

2206. Have you made any calculation of what would be the comparative difference of wages?—I have not the means of making the comparison, but in India the wages are —

2207. Can you describe the system pursued by the Company?—With respect to getting up the silk?

2208. First of all with respect to the advances?—The advances are made to people whom they call Pykars.

2209. On what principle are the advances made?—On a rough guess as to the amount that will be required.

2210. The amount of outlay required?—The amount of silk that is likely to be required. The advances are generally very large. The silk is brought in, and wound at the Company's filatures.

2211. What takes place after the advance is made?—What takes place is entirely between the pykar and the peasant; the resident has no further trouble than to see that the cocoons are brought in and wound off.

2212. Then the resident in no degree superintends the actual production of the cocoons?—No.

2213. Or of the worm?—No.

2214. Or of the leaf?—Nor of the leaf.

2215. Well then, he hears nothing more of the silk until the cocoons are brought to him?—No.

2216. Then does he take some and reject others, or take all that are brought to him?—No; he rejects some if they are very bad.

2217. In short, he inspects them, and makes a selection?—His native people inspect them, not the resident himself.

2218. His native servants, who are acting under him?—Yes; what they call the filature gomastahs.

2219. Then the winding takes place after that?—Yes, and that under the superintendence, I may say, of the pykar; at least he comes to see that justice is done to him; he is always allowed to be on the filature whenever he likes.

2220. And does the resident, or any European, personally superintend that operation?—The resident looks occasionally there, but no one European could be constantly on the spot during the working.

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2221. In short, that work is executed and superintended mainly by the natives?—Mainly by the natives.

2222. Well then, in what manner, or at what time, are the advances of the Company adjusted?—The price of these cocoons is settled according to the produce of them in silk, at so much per seer of silk, the pykar being allowed to take the refuse cocoons, which he winds off.

2223. Is that the only way in which the pykar is paid?—It is the only way.

2224. And that of course forms a deduction; the ryot is paid for the whole of the cocoons, for the whole he produces?—The ryot is settled with by the pykar.

2225. For the whole amount?—For the whole amount.

2226. And who determines what proportion should be selected from the refuse of those cocoons?—It is just those that are not run off, of which the ends break, and which they cannot use; in fact, they are all tried, or at least those that are not rejected at first from their appearance.

2227. Then in what manner are these useful to the pykar?—They wind off into a sort of stuff which they call chassum.

2228. Then who repays to the Company the advance to the pykar?—They are paid in silk, by the silk produced from these cocoons.

2229. Then they are allowed so much on the silk?—Yes.

2230. Now, if there is any difference between the amount of produce and the amount of advance, who is responsible to the Company?—There is always a security taken from these pykars; but they are generally men of large property themselves; I believe no advance is made to them to any extent without security being taken.

2231. What is the nature of that security?—I could not state that; something in the shape of a bond, I believe.

2232. So that if the supply is deficient, the pykar is held responsible?—Yes; and if he goes away, his sureties are answerable for him.

2233. When the silk is wound, what is done with it?—It is placed in the store till it is required to be sent down to the resident to be shipped.

2234. Under the directions of the board of trade?—Under the directions of the board of trade.

2235. Had you an opportunity of examining the silk establishment, and do you think it was on a proper economical footing?—Yes, I should say, generally speaking, it was.

2236. Did you inquire into the salary of the chief of the establishment?—I believe his salary was 200 rupees a month.

2237. That is about equal to 20*l*.?—About equal to 20*l*.

2238. But speaking of the European at the head of the establishment?—The commercial resident?

2239. Yes.—Why, his remuneration would depend on the amount of the investment which is got up, because he is paid wholly by commission, I believe.

2240. Is the house that he dwells in on an economical scale?—It is fit for India.

2241. What do you mean by fit for India?—Why, it is fit to be a country house for a gentleman who, when he is in town, lives in the City of Palaces.

2242. It would not be fit for England then, you think, for a person engaged in the same trade?—I do not mean to say it is extravagant; there are a great many comforts required in India which there are not in England.

2243. Well, it is a more expensive residence than would be provided for a person engaged in a similar employment in England?—Yes, I should say it is; his expenses are considerably larger than they would be here.

2244. From what cause are they larger do you apprehend?—I should say, in the first place, that if he had a house to find for himself, his house-rent would be a very important object; in the next place, his number of servants, and a variety of other things which I can hardly enumerate now; but the expense of living in India, I know from experience, is nearly double the expense of living in England.

2245. If private individuals were to establish silk establishments in India, do you think they would find houses and establishments for their principal agents on the same costly scale?—I should think not.

2246. If the object of the Company in establishing these silk filatures is profit, why should they provide for their agents on a more costly scale than private individuals engaged in the same trade would do?—They may have other objects besides the mere profit; there is their dignity to uphold, and it is of importance I suppose that that should be upheld in the eyes of the natives; the appearance in that way goes a great way with them.

2247. You

2247. You think it is of importance, that the agent of the Company should uphold his dignity, but you do not think that the agent of a private individual engaged in the silk trade should do so likewise?—No, I should say not; neither is it necessary nor yet expected.

2248. Is not that a good reason why the Company, who have to pay not only for the silk establishment as a mercantile speculation, but also for the dignity to be upheld by their agents, should not engage in any such manufacture?—Perhaps it is.

2249. Are the houses in which the merchants live in Calcutta similar to those which merchants in England reside in?—No, I should say they are on the whole more splendid.

2250. And the general style of Europeans in India is considerably more splendid than that of Europeans of the same class in this country?—Certainly.

2251. You stated just now, that living is doubly as expensive in India as it is in this country; will you state in what way it is so?—I should say principally the expense arises from house-rent and servants; the expense of house-rent is very great.

2252. And servants?—And servants.

2253. Are those servants absolutely necessary to your comforts and the protection of your health?—Yes.

2254. Are you aware that the price of silk has fallen in India since 1826?—No; as I have neither seen nor heard anything of it hardly since I returned, I am not aware. When I came away the board of trade were taking measures to reduce the price given to the pykar for the cocoons, in consequence of a great loss having accrued to the Company here; and it was then thought that it would have the effect of opening the field to private individuals again, inasmuch as they would be enabled to give something like the price, or perhaps as much as the Company were giving.

2255. Did the large price given by the Company have the effect of increasing the production of silk?—I should apprehend that it had for a time.

2256. Do you think that was beneficial or otherwise?—It might be useful.

2257. Can you state what was the average amount of silk annually produced at the residency at which you were?—I can state it only for the year 1826; the quantity despatched to the Presidency in that year was 1,355 maunds; I believe the order from the Court of Directors for that year rather exceeded the above quantity.

2258. What was the extent of the establishment of buildings, was it on a large scale?—It was a filature of about 400 basins at the time I was there, but Mr. Marjoribanks applied to have it enlarged; whether it has been done or not I do not know.

2259. Of what description are these large buildings?—The whole of it comprises a large area, what they call there a compound.

2260. Similar to a factory in this country?—Yes, something of the same kind; it comprises the house for keeping the cocoons, the warehouse for the silk, and the ovens for baking the cocoons.

2261. How many hands were employed there?—When they were in full work they would require about 800, I should think.

2262. And for how many months in the year are they in full work?—It is very variable; in the rainy season they generally have all the basins at work, because they endeavour to run off the cocoons immediately, or else they spoil, but at other times there never are all the basins employed; I should say on the whole, perhaps they may work eight or nine months in the year, but they are subject to frequent interruptions from the want of a supply of cocoons.

2263. From what does the want of supply arise?—Sometimes from a failure in consequence of the heat; at the time that I was there the supply at Radnagore had totally failed in May 1827, it was in consequence of the excessive heat.

2264. And the worm died?—And the worm died.

2265. Can you state what amount of population is employed in the production of silk, and in the cultivation of the mulberry tree?—In the neighbourhood of Santipoor?

2266. Yes.—No, I cannot; because the people lay wide; some perhaps at the distance

distance of twenty miles, and so on; I never heard any estimate of the number altogether.

2267. Do you know what number of residencies there are?—I think twelve where silk is got up.

2268. Each of them under the superintendence of a servant of the Company?—Yes.

2269. Not more than one servant?—Not more than one servant at any one.

2270. Can you state in what parts of the country they are situated?—They are all in the province of Bengal; I do not know that I could name them all.

2271. What was the description of that climate and soil where you were stationed?—The soil was dry, and the climate was reckoned preferable to that of Calcutta, it was not so damp or marshy, it was rather on a rise from Calcutta.

2272. It was considered of much importance to have a dry soil, was it not?—It is reckoned preferable for the mulberry.

2273. And for the worm?—And for the worm I should say too.

2274. Had you an opportunity of getting acquainted with the Company's principal agents, and of ascertaining whether they were persons who fully understood the details of the silk filature?—I should say that in some instances they certainly are not, because they are occasionally removed from a residency where no silk is got up, and placed over one where little or nothing else is got up.

2275. Are they, in your opinion, such persons as a manufacturer would select to superintend such establishments in France or Italy?—I should hardly think that they are.

2276. Are they a little above their business, do you think?—No; I should say that some gentlemen whom I have seen there take a good deal of interest in it, and I would particularly name Mr. Marjoribanks as one. I do not know whether you are aware of his having tried to introduce what he calls a Neez cultivation.

2277. What is the meaning of that?—The principal object of it is to make advances to the ryots without the intervention of the pykar.

2278. Has he succeeded in it?—The thing was in its infancy when I was there. He had applied to the board of trade, and they supported the measure, but not so far as he wished. I remember, in one instance, his saying he wished particularly to try whether he could not have some glazed windows put to the place where the worms were fed, for the purpose of giving them light, and also excluding the cold in the cold season, for these huts are very bad in that respect; they must either have all the air or none, and may be exposed to a great deal of cold in the winter and heat in the summer. Mr. Marjoribanks detailed very fully to the board of trade at Calcutta what he had done with respect to it, and you will see by the letter I saw here on Saturday, that the Court has noticed it in their despatch to India; but whether there are any particulars from Mr. Marjoribanks' letter to the board of trade quoted in the letter to the Court here, I know not; if there are, you will have some valuable information.

2279. Such being the character of Mr. Marjoribanks, do you think other agents, as far as you are aware, have been equally well selected?—I cannot say that I am much acquainted with many others. I did not remain at any other station. I have seen one or two in Calcutta, but have never been in company with them as I have been with Mr. Marjoribanks.

2280. Did you hear many instances of the silkworms dying in large numbers?—Not many instances; but in the case I just mentioned the whole bund failed.

2281. And it was considered in the country as one of the causes of loss and uncertainty?—Certainly.

2282. Would it be possible, by placing the houses where they are fed in shady situations, to prevent that occurrence?—I should think more might be done with respect to building them on an European plan.

2283. Did you ever hear of any chemical preparation being used for promoting their health or comfort?—No, I never did.

2284. The huts you are now speaking of are the huts merely of the peasantry?—Yes.

2285. Which is the most valuable silk, the country or the annual?—I should say that the annual possesses no superiority over the country, excepting that it is rather larger; there is more silk from a cocoon, but the country or dessy worm is the best by far.

2286. Is there much of the wild to be found?—No, I believe not; the Europeans only, as a matter of curiosity, have it brought in now and then to show them.

2287. Have

2287. Have you ever seen any of it wound into thread, so as to judge of the quality?—No; I put in my pocket a specimen of country-wound silk that is wound without a reel [*exhibiting it*].

2288. Can you state what would be the average produce of an ounce of eggs in India?—No, I cannot.

2289. Can you state what quantity of leaves would be consumed by any given quantity of worms?—They generally reckon them, they do not measure them; they take it in this way, that a biggah of plants will feed about a thousand worms a day.

2290. What is a biggah?—It is in the neighbourhood of Calcutta about equal to a third part of an English acre; the produce will feed this number on an average, because in the rainy weather they feed a much shorter time.

2291. Had you any experiment tried as to the quantity and quality of silk produced by the leaf after rains, and during the dry season?—The quantity during the rains is larger.

2292. And the quality?—The quality is very much inferior.

2293. Can you state the proportion of silk that a given quantity of cocoons produce in India?—They generally reckon on an average about a twentieth part; that a maund of cocoons would be about a seer of silk, the cocoon being weighed before the chrysalis is killed.

2294. Are you acquainted with the reeled silk of England and of France?—No, very little.

2295. But you have seen it in Mr. Heathcoat's establishment?—Yes.

2296. You have seen it nowhere else?—Not in England; I have seen Italian and French silks, but none has been reeled in England excepting by Mr. Heathcoat.

2297. You consider yourself a judge of the French and Italian, and English silks?—Not much.

2298. What do you think of the Indian silk in comparison with the silk of other countries?—I should say it is foul and uneven, and what they call endy, having many breaks in it.

2299. And in short is capable of great improvement?—Great improvement.

2300. Why was not the invention that you carried out continued after your departure by the commercial resident?—The experiment was only to the extent of 100 bales, and it was to wait the decision of the Court here; that decision was not for its adoption; they did not consider the improvement sufficient to warrant them giving anything for the use of the patent.

2301. There would have been an expense?—Yes; Mr. Heathcoat would have expected to be paid, having a patent right, so much per pound.

2302. And that expense foreigners had not to bear?—Yes.

2303. Was there a patent taken out in France and Italy?—Yes.

2304. Surely they could have done it in India without any expense?—No, there was counsel's opinion taken upon that, and Mr. Heathcoat's right was considered to extend to India; but the Company would not have taken advantage of it, even if the patent right had not extended to that country.

2305. Was the silk that was wound according to Mr. Heathcoat's plan sold higher than the silk of the season generally?—Some part of it sold at an advanced price. I should say that the cause of the experiment not succeeding fully was, that the fibre of the cocoons was too weak to admit of the application of the plan. But at the same time that one part of Mr. Heathcoat's plan was acknowledged by the natives as a most decided improvement, namely, that of his method of giving the *croisée*, that the natives themselves acknowledged to be a most decided improvement; and the cocoon of Bengal as now produced is capable of the application of that part of his invention.

2306. Is that part of it continued?—No; no part of it is continued.

2307. But you are not aware that anything has been done of late years to improve the quality of the cocoon?—No, I am not aware that there is; I never heard of any beyond this experiment of Mr. Heathcoat.

2308. Is not a better price given for a good cocoon than for a bad one?—It is in this way, that the more silk a good cocoon gives the better, and the price is regulated by the turn out.

2309. Then it is to the advantage of the grower to make the best he can?—Most decidedly. But cocoons are seldom bought except by native winders or by private individuals when they do wind, and when they are bought they are bought by tale.

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2310. Is there any suggestion that you would make as to the improvement generally of the management of the growth of silk in India?—I should say, that in the first instance the rearing might be very much better; protection might be given to the worm by buildings on an European plan; and the cocoon produced by the worm might, by attention and care, be very much improved; notwithstanding that I consider the climate of India is certainly against it.

2311. But in buildings well adapted for the purpose, the disadvantages of the climate might be in some measure remedied?—They might be in some measure remedied, but they never would be altogether obviated. They have also a plan of cleaning their silk on the reel, which makes it what the manufacturers call endy; it breaks it.

2312. But is not that carelessness?—No, it is their plan; they will not be beaten out of it. It is a thing that is never allowed in Italy or France. It is cleaned on the reel while the skein is on the full stretch; the consequence is, if they attempt to pull off what they call a gout, they naturally must break the thread in so doing.

2313. Has any new description of worm been recently introduced into India, or have you heard of the introduction lately of any new worm from China?—Not of late years; it is some years, I think, since the last introduction from China.

2314. Do you know about what period?—No, I cannot say; it is many years since; at least I have not heard of any lately.

2315. Did you find Mr. Marjoribanks perfectly ready to afford you assistance in forwarding your object?—Perfectly so, and also the government there; I received every facility. Mr. Watts was then the resident at Radnagore, and Mr. Becher at Rungpoor.

2316. Was Mr. Grout's agent there when you were?—No, he had returned some years.

2317. What was his name?—His name was John Brown.

2318. Did you hear when you were there that the rent of land for the production of silk was much higher than the rent of other land?—Yes, considerably so.

2319. Was it supposed to require land of a superior quality?—I do not know that it is; I am not aware of that; I could not speak with certainty to it.

2320. But is it not the case, that in many places the silk lands let for four times the rent of other lands?—I should hardly have thought so much as that; they let for a considerably higher rent.

2321. To what cause have you heard the difference ascribed?—To its being a more profitable way of cultivating it.

2322. Who determines whether the cultivation shall take place or not; is it the resident who determines in what part of the country silk shall be cultivated?—I believe it depends on custom more than anything else.

2323. Is the pykar in general a landowner?—I should think he might very very likely be; they are generally men of property, but whether landowners or not, I cannot say with certainty.

2324. What was Mr. Marjoribanks' reason for trying to get rid of the pykars?—He thought he could get the cocoons at a smaller expense, and bring people more under his own superintendence to come nearer to him, and in that way he might look over them himself and save expense; he considered these people were useless, these pykars.

2325. In short you distinctly consider that the Bengal cocoons are capable of great improvement?—Most undoubtedly so; and the silk materially improved by winding with greater care and attention.

Luna, 13^o die Augusti, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

Nathaniel Wallick, M. D., called in; and Examined.

N. Wallick, M. D.
13 Aug. 1832.

2326. WHAT office do you hold under the East India Company?—I am Surgeon on the Bengal Establishment of the Company's Service, and Superintendent of the East India Company's Botanic Garden at Calcutta.

2327. The

2327. The Committee understand that you have turned your attention to the botanical and agricultural resources of India?—Yes, I have.

2328. Will you state what works or papers you have published upon those subjects?—Various papers, connected partly with the botany of India, and partly with the agriculture of India, in the Asiatic Researches, in the Linnæan Transactions, and in the Transactions of the Society for the Encouragement of Arts in London, in the Transactions of the Agricultural and Medical Societies of Calcutta, also a paper in the London Horticultural Society's Transactions, and I have published two large works, entitled "*Teutamen Floræ Napalensis*," and "*Plantæ Asiaticæ Rariores*."

2329. What are the principal products to which you have turned your attention?—In the course of my service under the Company, I may say I have attended to most of the subjects which are connected with the agriculture of India; but officially my attention has been particularly directed to the forest, and the timber productions of India, and the resources connected generally with those objects, embracing drugs that are produced from trees, dyeing woods, and likewise to other matters, such as to plants producing cotton, food for silk besides that species of mulberry which is peculiar to India; I have likewise attended to the subject of coffee, sugar, and lately tea.

2330. What are the other plants to which you refer as being used in the production of silk?—There are, I may say, in India, two plants that are most extensively applied to the feeding of the silkworm; the one is the mulberry, and the other is the castor oil plant, or the *Palma Christi*, as it is generally called. The mulberry is infinitely the most important, both with reference to the extent of its cultivation, and with reference to the product of the silkworm that is reared by it; it is the best silk which is produced from mulberry. Inferior kinds are produced from other plants, especially from the *Palma Christi*; also several kinds of the laurel tribe, belonging to a genus called *tetranthera* (subdivided again into others by modern botanists), the latter is especially applied in the north-western provinces of Bengal to the rearing of a coarse kind of silkworm called muggadhuti.

2331. Have you turned your attention at all to the nature and fertility of the soil?—Yes, I have.

2332. Can you state what in the different parts of India to which you have turned your attention is the description of soil to be found generally, its depth, and degree of moisture?—I would beg to confine myself, if I may be permitted, to those parts of India which I have visited. I should commence by stating that, generally speaking, the soil of India is very superficial. I have a particular reason, which I shall presently explain, why I should say that it is very important to keep that circumstance always in view, that the soil is very superficial. It is generally not more than six inches deep. To that circumstance I would attribute the extraordinary failure which has, to my knowledge, on various occasions, attended the attempt of introducing European modes of tillage. I can mention particularly one example, if it is the desire of the Committee that I should, namely, the experiment made with the English plough in Bengal.

2333. Does your remark extend equally to the neighbourhood of the rivers?—Generally speaking, to that kind of land that has produced any of those articles that form the staple produce of India. Every rule has its exceptions, and of course the alluvial lands would, generally speaking, have deeper soils than others; but the alluvial lands near the great rivers or near the seaside, are generally not, from various reasons, those that are most in cultivation.

2334. Will you state the reasons?—If the Committee would permit me I would begin with Bengal. The soil of Bengal consists almost throughout of a vegetable mould, more or less modified, in consequence of its greater or less admixture with sand or clay. When I speak of Bengal, I would beg to be understood as speaking of those provinces that are generally called the Lower Provinces, extending as far up as Bahar to the north; to the east, as far as Chittagong, and to the west as far as Cuttack. Although certainly a champaign country, it is in some degree varied in point of elevation, and hence arises its greater or less liability to annual inundation, either from the river Ganges and the Burhamputra and their tributaries, or from violent rains, hangs one of the greatest points respecting the produce. It is one of the difficulties connected with the husbandry of Bengal, that large tracts of land cannot be had of an equal description, therefore, if a person for instance would engage in the cultivation of coffee or of sugar, two articles that require entire exemption from inundation, he would be obliged to comprise within the area of the land

for such plantation, at least one-third of lands that would be utterly unfit for his immediate purposes, and he must therefore reckon upon deducting from his profit the loss incurred by the necessity he is under of introducing other objects of cultivation on the above-mentioned third part of his land.

2335. Relatively to other countries with which you are acquainted, what is your opinion of the general fertility of the soil?—I believe that those parts of India generally that I have visited, are inferior to no part of the world in fertility of soil and richness of produce. I have only visited India; I may say that I have seen the Brazils. From personal experience, of course I ought not to speak of any part of India except of those that I have had opportunities of examining thoroughly. I can point them out to the Committee on a map I have brought with me, and which I have had engraved expressly to indicate the routes of various agriculturists and naturalists in India. I have seen a good deal of cultivation in the Isle of France; I consider India equal to any part of the world in point of fertility and abundance of produce.

2336. Do you consider it equal to the Isle of France in its capacity for growing sugar?—Yes, I do; I would beg to say that I consider it equal, not only with regard to sugar, but with regard to coffee and cotton.

2337. Do you consider it equal to the Brazils also with respect to those products?—I do; I should think so; I would not hesitate saying generally, that the soils comprised within the Company's territories, are equal in fertility to any soil in any part of the world; it is not inferior to the most fertile soil of the Isle of France. The Isle of France produces a species of mould excessively rich, such as is not often equalled, except at particular places in continental India; yet it is so excessively scanty and so intermixed with rocks and stones, that a proportionate loss is sustained which is counterbalanced on the continent of India by its greater abundance; I speak of the Isle of France from personal experience during a period of four months.

2338. What descriptions of grain are best suited to the soil of India?—You may almost divide the lands in the Indian possessions, as well as the people, into two classes, according to the nature of the grains that are cultivated by them. The one class of territory I would call the rice territory; and the other, the white grain, the wheat and barley territory. The natives of Bengal, who are consumers of rice, always meaning by Bengal that extent which I have before stated, are an inferior race of people, in comparison to the people that feed chiefly on wheat or barley, but they are more industrious. A great number of grains are cultivated besides those just mentioned; some of the most beautiful kinds of millett and other grains are produced, which are beyond all comparison for the richness of their produce; but the misfortune is, that they require better and more elevated situations than what the husbandry of Lower Bengal will admit of; they would in Lower Bengal cultivate those kinds of grain if it were not for the nature of the land; it requires higher land.

2339. Is the production of Indian corn, which is best known in America, grown also in India?—Yes, it is to a very trifling extent, comparatively speaking; it is difficult to say the reason of this. It is supposed to be a very excellent grain and most productive; but there is a prejudice generally amongst the natives that it is unwholesome, and that prejudice reaches from one end of India to the other. That prejudice, according to Dr. Hamilton, is entirely unfounded, but still it exists; and, strange as it is to say, a very large quantity of that grain is cultivated, not as a staff of life, but for eating almost in a raw state, more as a condiment than anything else.

2340. You have mentioned the survey of Dr. Hamilton; will you state what provinces were embraced in that survey, and what is your opinion of that work?—Dr. Hamilton, between the years 1807 and 1813, surveyed the following districts: Dinajpore, Boglepore, Rungpore, Purnea, Behar, Shahabad and Goruckpore; I believe that there never was produced a more complete work of this kind; the materials accumulated by that naturalist are of the most extensive and comprehensive description; the work supplies an inexhaustible source of sound and useful information. The only defect of that survey is, that being so very extensive, and comprising so many districts, which of course must correspond with each other in many material points, there is a great deal of repetition; but with a good index, with such an index as a survey ought to have, and with a good deal of condensing, I do believe, and I would risk anything upon the truth of this assertion, that there exists nowhere any survey superior to it in value. I may perhaps take the liberty to

to mention, what the Committee may perhaps have heard respecting Dr. Hamilton's Statistical Survey of Mysore. An objection has been urged against this admirable work: it is objected that it is an extremely tedious book; but I should be inclined to consider this, if indeed founded on reality, to be rather in favour of than against such work. A statistical survey is not a book that is intended to be read for amusement, by any means; and a person that would expect to take up Hamilton's Survey as a book for amusement, might as well expect amusement from a nautical almanack, or from a table of logarithms; but at the same time I would beg to observe, that the only deficiency in Hamilton's printed Statistical Survey of Mysore is, that it has not so complete an index as could be wished, upon the perfection of which depends the value, in a very great measure, of such a work.

2341. What is your opinion with respect to the general character of the husbandry of Bengal?—I should say, that upon the whole, the husbandry of Bengal has in a great measure been misunderstood by the Europeans out of India. The Bengal husbandry, although in many respects extremely simple, and primeval in its mode and form, yet is not quite so low as people generally suppose it to be; and I have often found that very sudden innovations in them have never led to any good results. I have known, for instance, European iron ploughs introduced into Bengal with a view of superseding the extremely tedious and superficial turning of the ground by a common Bengal plough. But what has been the result? That the soil, which is extremely superficial, as I took the liberty of mentioning before, which was intended to be torn up, has generally received the admixture of the under soil, which has deteriorated it very much.

2342. Do you consider that the husbandry is susceptible of any great improvement?—Certainly; but not to so great an extent as is generally imagined: for instance, the rice cultivation, I should think, if we were to live for another thousand years, we should hardly see any improvement in that branch of cultivation. Other cultivations are more or less susceptible of improvement, but not to that extent that is generally supposed. The indigo plant, as it is now cultivated, (I do not speak of the manufacture) is probably not susceptible of any great improvement.

2343. Are you well acquainted with the indigo districts?—Yes, I have seen a number of them; I have been chiefly in that district which is considered the principal, namely, Tirhoot.

2344. Is it not considered that great improvements have taken place in those districts since the introduction of the Europeans?—Undoubtedly; I merely spoke of the cultivation of the plant. Those people that are engaged in the cultivation of indigo, are still obliged to adopt the old method of advancing to ryots or to the peasantry for their supply.

2345. Entertaining such a high opinion as you do of the fertility of the soil, to what causes have you generally referred the extreme poverty of the people?—I believe I shall be able to explain satisfactorily to this Committee the cause of this state of things. Whoever has been in India must have found that the ryot will never exert himself beyond what will give him his daily food; a person will never go out of his way, and will never exert himself beyond what is necessary to produce the minimum of profit. I have never seen an instance to the contrary. For instance, taking those that fell and deal in timber, although the timber will be double or treble the value if a man will stoop down to cut it near the ground, he will not do that because it gives him the additional trouble. It is that want of providence which I believe nothing will remedy, except that glorious system which we now see which has been adopted throughout India, that of educating the natives and bringing them to a higher state of civilization.

2346. Are not the Bunyers a most industrious class of men?—They are so to a certain extent; but the reason why in India so many men are employed upon one and the same work, is really attributable only to this want of foresight. A native of India will never exert himself beyond what is necessary to procure the minimum of profit. To this state of things it is owing, for one instance, that the cotton plant is almost always reared as an annual in India, whereas in America and the Leeward Islands, it is triennial.

2347. You have mentioned the forests of India as having particularly engaged your attention; is it your opinion that the timber of India might become a commercial resource of greater importance than it is at present?—Undoubtedly.

2348. Will you state your reasons for maintaining that opinion, and the particular parts of India to which your observations apply?—I have visited a great many parts of India, particularly with reference to the timber forests, from the

Oude territories to Dayoo Dhoon, along the frontiers of Nepaul, and likewise those on the river Irawaddy and in Martaban, and I find that there is no description of timber in the world that either these countries do not possess, or of which they do not possess, if I may call it, the representative or substitute.

2349. What are the kinds of trees to be found on the north-east frontier of Oude?—The staple of that part of India is the Saul tree (*Shorea robusta*), the Sissoo (*Dalbergia Sissoo*), the Toon, the Jarrool, the Mango, which is a most excellent sort of wood for ordinary purposes, and a very great variety of others. The Teak is entirely confined to Malabar, and to the Burmese dominions, partly those that still remain Burmese, and partly those that have come into the British possession, and lastly, to Java.

2350. For what purposes would you use the saul?—Partly for ship-building purposes, and partly for house-building; it is also in a great measure applied to the construction of gun-carriages, and to other military purposes.

2351. Is not Calcutta chiefly supplied from the Oude district with saul?—Chiefly from Oude and Goruckpore, but strange to say, there has been a falling off which has been felt in the most serious manner; a falling off, not only in the production of saul, but also in the production of the timber that has hardly any substitute in India itself, the sissoo. A great falling off has been experienced by the Supreme Government in Bengal in the supply of bamboos, which ought never to have been experienced; and a committee was formed about eight years ago with a view to remedy so formidable an evil as a want of bamboos, which is the universal building material for the lower order of the natives of India; a good sized bamboo has for many years not been procurable in Bengal.

2352. Will you state the cause of that?—The reason is a very clear one, and one perhaps that may be applied by way of a preventive against similar defalcations. Calcutta used formerly to be supplied from a place called Moorshedabad. A large jungle consisting of bamboos used to supply from time immemorial all Lower Bengal with bamboos of very noble dimensions. About 15 years ago when the station of Burrampore became unhealthy and sickly, it was supposed that the bamboo jungle was the cause; it was entirely cut down. In the first place the sickness was not remedied, and in the next place the great source from which Lower Bengal, chiefly Calcutta, used to be supplied was at once cut off. One of the finest productions, independently of the many others that we have in our Eastern lately acquired territories on the Martaban coast, consists in superb bamboos, as we have nothing equal to this sort any where. I have seen stems of such gigantic diameter that I could almost put my head into the hollow part of them; they grow to a height the most astonishing.

2353. Have those bamboos that have been cut down grown up again?—No, there is a peculiarity in the bamboo as well as in the sugar, and a number of other products belonging to the same tribe of plants. It is this: that the term of their existence ceases the moment they have done blossoming; the consequence of which is, that whenever a group of bamboos goes into blossom, that group invariably dies, every stick of it, down to the end of the roots. I have seen a very curious instance of that at a place called Rampore, in Rohilcund. I visited Rampore in 1825. There is a belt round it of about 40 fathoms in diameter, belonging to the rajah; when I was there the whole of that belt, comprising millions of stems of bamboos, had been in one simultaneous blossom, and the consequence was that there was not a single stick alive; they were all leaning upon each other. The chieftain to whom Rampore belongs, most judiciously did not allow a single one of those bamboos to be cut away, but allowed them to remain to protect the young bamboos that spring up from the grains of the old ones. The consequence was, that at the time when I saw it, there was a succession of young bamboos protected by the old bamboos, and which would in a few years form a source of great profit to the man.

2354. Are the Committee to understand that the price of timber in Calcutta has been increased of late?—Yes; the supply of saul, of sissoo and of bamboo have fallen off very much.

2355. What has caused the falling off; are not the forests of Goruckpore very abundant?—The great point which must be taken into consideration in an Indian forest is its proximity to the water, and the facilities of conveying the timber to the nearest depôt, or the nearest port. The natives have in a most injudicious manner felled all the timber that was good and large, both young and old, and often they have done this in that most injudicious mode I have described already; the consequence is, that every good stick near the river has been allowed to be carried away, and

and now for every bow of timber that you wish to procure, you are obliged to go to a distance, and to convey the timber from a distance that most materially enhances the price of it.

2356. Would not that be obviated if Europeans might be allowed to form establishments there for conveying the wood to the nearest rivers?—Most undoubtedly. I should say, that if there is any point in which European skill might be profitably employed, it would be in establishing saw-mills, and in establishing local depôts and local half-wrought material depôts, by which means the enormous risk that is experienced by timber being floated down entire from Cawnpore and from Goruckpore would in a great degree be obviated. Very often the consignments of timber are lost on the rivers; these losses might be avoided, and better means of land as well as water conveyance than are now employed no doubt devised. But I would beg to be understood as speaking chiefly with reference to our lately acquired territories east of the Saluen river in Martaban, and on the Tenasserim coast, where the forests are not so destructive to Europeans as those in Hindostan.

N. Wallick, M. D.

13 Aug. 1832.

Martis, 14^o die Augusti, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

Nathaniel Wallick, M. D., called in; and Examined.

2357. WILL you state what are the different varieties of timber in India applicable to building purposes of all descriptions, including ship-building?—There is a very large variety of timber; the staple timbers of Hindostan are the saul, the sissoo and the teak, both for ship-building and for house-building; and I would add for native buildings the bamboo, but there is no country in the world which has a greater number of forest timber applicable to every possible purpose.

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2358. Have they pine or oak?—In the greatest abundance; there are eight species of pine trees in Nepaul, in Gurwal, Kamaon and Sirmore, towards and on the Himalaya, and there are nearly twenty species of oak.

2359. Are the yarrow, or red pines, known in America, to be found in India?—The species of Indian pine, with the exception of four, are totally distinct from the pines of the north of Europe or of America, those two are the purple coned pine, (*Pinus Webbiana*) which is remarkable, as a kind of dye or indigo is produced from the cones of it; another is the *Pinus Longifolia*, remarkable for its long leaves; thirdly, a sort called *Pinus Excelsa*, resembling the Weymouth pine; and lastly, the Deodara, which is very like our cedar. But all the Indian pines are remarkable for their immense size.

2360. Are they accessible?—The only difficulty with regard to the mountain oaks and the pines is in the conveyance to the plains; but I should say, that would be one of those points to which European skill would be particularly applicable, because the natives in India have no idea of those means of conveyance by slides, &c. which have been used with so much effect of late years in America and in Europe. It is a very singular fact, that the paramount deficiency in the Indian management of timber, is the absolute want of any regular system of seasoning; the timber that is felled to-day is likely to come into the market to-morrow, and to be sold and employed within a twelvemonth of its being felled, and to that circumstance more than to anything else I would attribute the woeful devastations by the white ant and by the dry rot which are found to prevail in India, especially in houses, and likewise in ships and boats. The natives have no idea of the necessity of timber being seasoned; and if it is seasoned in India it depends entirely upon the man not having been able to sell it, for he never lets the timber lie over for the purpose of seasoning.

2361. Is that supposed to have led in any degree to the falling off in ship-building in Calcutta?—No, I should suppose not to the falling off in ship-building; teak being the chief timber applicable to that purpose, is dependant on the inadequacy of the supply of timber.

2362. The timber on the Saluen river is not very accessible is it?—Yes; I should say that the teak on the Saluen as well as the Attrán, is as accessible as the timber in any forest that is called accessible.

2363. The large timber is several miles from the river is it not?—At the utmost two miles; and I should consider that an exceedingly moderate distance.

2364. Have you any reason for supposing that the timber of India might become an article of foreign trade?—I believe it might.

2365. What Asiatic countries would be likely to afford a demand for it?—I am not so much alluding to Asiatic countries as to European; it is a notorious fact that a kind of tree is imported from Africa, the African oak, of which the natural history, even the name of the tree, strange to say, has continued a problem up to this day; no one knows what the tree is; it comes from the interior of Africa, and is much more expensive than timber ought to be that is imported.

2366. Is that timber used in India?—No, I only learned that since I came to this country; it has received the name also of African teak, from its participating in the extraordinary property of the teak to resist the dry rot and the rusting of iron; it contains a peculiar sort of oil. I have reported to the Government, and I am still of opinion, that the timber on the coast of Martaban would for a long time be adequate to maintain all the government expenses of those provinces.

2367. How would you propose to dispose of the timber?—I should establish half-wrought timber yards, local timber yards, and supply the depôts at Calcutta and at Bombay with half-wrought materials, depôts not only for the building of ships, but for the construction of military machines, gun-carriages, and things of that kind.

2368. Are there not forests as fine, and more accessible, to be met with on the coast of Malabar?—There are most admirable forests there, but the forests that used to supply the Bombay docks and the docks at Calcutta with Malabar teak, which is peculiarly fitted for building, had fallen off from the extreme exhaustion of those forests, but in our newly acquired territories on the Martaban coast, and the coast of Tenasserim, the forests are in all their richness; there is a circumstance connected with these forests which would at once strike any man conversant with botany; there are four or five species of oak which grow upon the coast close to the seaside, attaining very large dimensions, and being much esteemed by the Burmese.

2369. Are there many forests on the banks of large navigable rivers that are already more or less exhausted?—As far as the question relates to Hindostan, I should say there is not a single one of the available forests that can be mentioned that has not been partly exhausted, and all of them have been ill-treated, owing to the most barbarous proceedings of the natives in felling the trees, and the means of conveyance of the natives; they always take those very near them, small or large, young or old. I have no hesitation in asserting, and I have stated it to the Government in reports on that specific subject, that unless speedy provision is made for the renewal of those forests for the supply of timber, we shall, within a very short time, find a most painful falling off, that the present means, speaking of Hindostan, would be inadequate; and I mentioned yesterday, that even in such an article as the bamboo, which I would compare to nothing less than the seacoal of England, as one of the indispensable necessities of life, there had been a great falling off. This attracted the notice of Government in the year 1823, and induced the Government to appoint a committee to consider of measures for improving their mode of obtaining supplies; the suggestion made by the committee was finally abandoned, that of establishing large plantations.

2370. If the forests have been to this extent exhausted, what induces you to believe that the supply of timber would become a great commercial resource in the hands of British settlers?—In the first place, the supply of timber I adverted to has been drawn from the Upper Provinces of Hindostan; but when I mention that the supplies might be subservient to exportation, I meant particularly to refer to the supply of timber in our newly acquired territories, that has never been touched even by the Burmese.

2371. Would not labour be very dear in those new provinces?—Certainly, and I should conceive that is a great drawback.

2372. Would not that in fact be a bar to the use of those forests?—No, I should think not; I should think that they are thinly peopled in comparison to our continental provinces, yet the population when I was there was coming in rapidly.

2373. Have you understood that any supply of timber has been drawn from those provinces?—No, not to the extent which I think at all desirable.

2374. Have

2374. Have you never heard that it was found too expensive to work them?—No, I should not conceive that to be the case; I was sent myself by Sir Archibald Campbell, at a time of the year when it was almost hopeless to bring anything down with me, with a few of the pioneer department, and we levelled with the ground a very large stray of teak, and had it cut up in lengths and had it measured. We did the whole business in one day. Nothing of course would be so conducive to the increase of population as the employment of the natives for this and other purposes.

2375. Is not the neighbourhood of forests generally unhealthy?—Dreadfully so except in these new forests; that is not the case there; most unaccountably, but it is the fact, that a forest in the newly acquired territories may be entered at any time in dry or wet weather. The forests to the north of Hindostan are so unhealthy, that Europeans will find it difficult to live or work in their neighbourhood, except during a few months of the year.

2376. How has that been ascertained?—I can speak from experience during several years; the interior of the Burmese countries has been known to us from the year 1824, when the Burmese war broke out, and I was there in 1826 and 1827. Rangoon is surrounded with jungle and forests; Amherst and Moalmyne are close upon the forests.

2377. If the Asiatic timber were brought into use in Europe more extensively than it has been hitherto, you conceive the supply must be drawn from these provinces?—Chiefly, until the resources in the mountains of India can be opened to advantage.

2378. As to the timber of Hindostan, you rather anticipate a deficiency of supply?—Yes; I should expect that by proper management of these forests, they would be sufficient for the local wants, but not for exportation.

2379. To what circumstances do you attribute the fact that the timber of India has not been in more general demand in Asia or Europe?—It would be exceedingly difficult to say. No country on earth produces a larger or more valuable supply of timber than India does; but there have been certain sorts of timber selected for certain purposes, and the people in India have always directed their attention to those few sorts, and have never troubled themselves, from the circumstance that they have had a supply in great abundance, until of late years. Now the supply is falling off, I dare say their attention will be directed to others. I am happy to find that experiments have been made in this country by Major-general Hardwicke, which have induced the Company to send out to India wrought-iron gun-carriage wheels for trial there, as a substitute for wooden ones.

2380. Does China import timber?—Not that I am aware of; the only description of wood imported, except dyeing woods, are rattans.

2381. With respect to the obstacles to the introduction of Indian timber into this country, are you aware how it happens that the timber of India has not been more generally used?—I am not aware that there has been any particular want of Indian timber here; timber from America, as well as from European states, has supplied the wants of this country.

2382. We import oak from Africa?—That has been generally very little; I know that the naval departments here are desirous of Indian timber.

2383. Have you any general remarks to make with respect to the forests of India which you have not made already?—I should say it is quite time that means should be resorted to to preserve those forests which are remaining, and that new plantations should be made.

2384. Will you state what, in your opinion, are the products of India which are most likely hereafter to be of commercial importance?—Sugar, cotton, coffee, silk, indigo and tobacco; I should say, perhaps, tea likewise; these being the commercial matters which are of most universal use and application for purposes of commerce. There are others which India has formerly been thought capable of supplying, but which, in consequence of particular circumstances, have been abandoned; for instance, hemp: it has been supposed that India produces kinds of hemp which are unequalled, even in comparison with the Russian hemp, for their strength of fibre; I speak especially of the Caloo hemp.

2385. Have you named these products in the order of their importance?—I think I have.

2386. What is your reason for supposing that sugar, of which the export is at present but limited, is likely to be an article of greater commercial importance than indigo, the export of which has greatly increased, and is now very large?—Because

I consider indigo at most is limited in its consumption; sugar, I should conceive, perfectly unlimited; the only limit upon its consumption depends on the price of it.

2387. Have you any means of estimating the amount of consumption in India itself of sugar?—I am unable to do that satisfactorily.

2388. Is it in general use among the natives?—It has no parallel but rice and salt; it is exceeded in consumption only by rice.

2389. You conceive, that independent of commercial grounds, there would in respect of sugar be a great field for the investment of capital for improvement in the cultivation and manufacture of it?—I was particularly referring to the exportation; but I should go one step farther, and say, a more judicious selection of cane; and above all, a more fit and economical extraction and conversion of the juice into sugar, would occasion a much greater demand for the article of sugar.

2390. Is not the manufacture of the rudest kind?—Of the rudest kind which can be imagined.

2391. Do you not conceive that the failure of the natives in producing superior cotton for the foreign market, is wholly attributable to their want of skill?—I should not attribute it to their want of skill so much as to that extraordinary feature in the character of the natives, that they will not do that at a greater advance of capital, or with greater exertion, which would give them a better return, if they can get it for less trouble by the use of less capital; they are the most improvident of the whole human race in that respect.

2392. They have every variety of cotton in India, have they not?—I believe they have; I believe that India produces of itself every variety of cotton; it is my opinion, that the justly celebrated American Sea Island cotton is actually in cultivation in several places in India, but owing to the manner of husbandry among the natives, it very soon loses all its principal characters for goodness, and returns to the quality of the original wild species.

2393. Are you not aware, that after experiment, it has been considered to lose that peculiar character which belongs to the Sea Island cotton when grown in the neighbourhood of the sea, that that has been attributed to the change of climate consequent on its removal from the shore?—In a great measure, certainly.

2394. That the deterioration has been owing rather to that than to the want of skill and care on the part of the natives?—I conceive not to that alone; I should say that the miserable husbandry, which never allows cotton to outlive a season, if it remained even on the sea coast, would be quite sufficient to deteriorate any cotton. In America, the Sea Island cotton is never allowed to be an annual; but in India, among the thousands of plantations, if you find one that is a perennial, it is a remarkable thing.

2395. Was it not found, that the cotton can be produced of excellent quality in the Island of Salsette, but that when taken into the interior it lost its character?—My opinion undoubtedly is, that the proximity to the sea in Sea Island cotton is a very necessary condition for continuing the excellence of that variety of cotton. It is known, that in China the good kinds of cotton are all cultivated in the vicinity of the sea: A superior kind of cotton from the coast of Martaban, which I have brought home and delivered samples of at the India House, are not exceeded by the cotton of any other country in the quality of the staple, or the facility of separation from the seed. Those cottons from Martaban, which I have seen in great abundance, are all cultivated near the sea.

2396. The American gin was not found to answer, was it?—It was sent out only a few years ago.

2397. Was it not found to be inapplicable to the cotton of India?—I have not heard of that result; the native implements of India, rude and simple as they appear, should not lightly be imagined to become suddenly, or at once, superseded with any advantage.

2398. Is not the raw cotton of India remarkably foul?—Undoubtedly the cotton as brought home here is extremely foul, for causes which reflect no credit on the Indian commerce in cottons; the people who deal in it do not take those measures which would at once prevent that circumstance.

2399. You consider that there are imperfections in every stage in the cultivation, the cleaning, the packing, and the conveying?—Yes, and the final preparation of the packages for transmission to Europe.

2400. With respect to the packing and conveying, what are the principal defects?—The extreme badness of the boat in which the cotton is conveyed, principally that

that sort called a patella, a huge ugly floating mass of wood, on which the cotton bales, which are very large, are placed on each other without any sufficient protection against the weather, and they happen to be sent down to Calcutta during the season of the year when rain is most expected; they lie on board those boats four or five months, then they are brought to Calcutta in a dirty and filthy state, such as might be expected to be the result of so barbarous a mode of treatment; they are then put into cotton screws, which are very ill regulated, not worked in a proper manner; but the cranes are turned by the natives, and the same bale will be screwed one minute by perhaps 20 men, and the next minute by 50 men, the consequence of which is that there is an unequal pressure; with a quantity of the seeds screwed into them, and in the state of dampness and mouldiness in which they are imported, the bales are sent on board. It is in my humble opinion impossible that the finest cotton upon earth, under such treatment, could arrive here in any better state than Bengal cottons are imported. I would also mention, that from the manner in which the cotton is cleansed, parts of the oily substance of the seed is allowed to remain, and that not only discolours the cotton, but gives it an oiliness, and a peculiar liability to become mouldy.

2401. You consider that there is great room for improvement with respect to the production of coffee?—Certainly.

2402. What are the principal defects?—It is only a late cultivation altogether; in 1823, I originated the cultivation of coffee upon an extensive scale. The Government, in a string of most liberal resolutions, which were issued upon the occasion, allowed planters to engage in the cultivation of that article under facilities which have never been conceded to any other branch of planters in India, namely, permission to hold lands for a long series of years, and to grow on *certain portions* of those lands *bonâ fide* intended for coffee, any other article.

2403. To what extent has the cultivation been carried since that period?—To a considerable extent.

2404. By whom is the coffee thus produced consumed?—Coffee is an article of production which requires a number, at least 10 years, to come properly into the market, being a shrubby plant; a number of mercantile houses, as well as private individuals, have entered upon the cultivation; there are at this moment several plantations cultivating coffee, and some has been sent home.

2405. What is thought of its quality in India?—I will say for myself, I never used to drink good coffee myself except that produced in the Company's garden at Calcutta.

2406. What extent of land has been laid out in coffee?—At the lowest I should say 10,000 or 12,000 biggars in Lower Bengal; a biggar is about one-third of an acre, making about 4,000 acres.

2407. Are those lands generally held by Europeans?—Yes they are.

2408. Under the regulation of the Government?—Yes; a regulation which was liberal in the highest degree, inasmuch as it allowed Europeans to hold land on long leases, which has never been done before. The cultivation of coffee could not have been engaged in for particular reasons, if the Government had not granted that facility.

2409. Have you ever had occasion to observe the condition of the natives upon those coffee lands, whether it was improved or not?—The first coffee plantation was established in 1823, the time since has hardly allowed an opportunity for showing what can be done; it is no time of gathering and drying at present; it is a subject on which Europeans certainly have exerted themselves greatly.

2410. Have you engaged in it yourself?—Yes, I took the lead, under the express sanction and approbation of the Supreme Government.

2411. Is there any particular part of India which you think peculiarly fitted for its cultivation?—Yes, Bengal and the Burmese territory; the Upper Provinces I consider entirely unfit for its cultivation.

2412. You consider that both sugar and coffee might be produced to any extent?—The consumption of coffee is limited in comparison with that of sugar; the Hindoos do not drink coffee, only the Mahometans and Europeans do. Sugar is used by all classes, its consumption is almost unlimited.

2413. Is there any religious prejudice against coffee?—No, not to my knowledge, but the Indians have not a knowledge of it any more than of tea. The higher order of Hindoos drink tea almost as a medicine; and though the Burmese consume tea it is of a very miserable sort, and to improve that sort they pickle it. I believe that pickled tea is the sort used by that nation.

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2414. Do you not think they would be very likely to consume eventually both coffee and sugar?—I should say coffee and tea, as well as sugar.

2415. Is it not the fact that many now drink wine who some years ago would not?—I should be extremely cautious in attributing to the Hindoos of India the habit or even an inclination avowedly to drink wine. I hope that amongst the Hindoos in the army the custom may never be introduced.

2416. You consider it repugnant to their religion?—Perfectly against their religion. The Mahometan will drink wine, but no respectable Mahometan will do it unless the door were shut. The King of Oude has asked persons to drink wine at his table, but then he was supposed to be absolved by his superior rank.

2417. With respect to silk, do you conceive that there is much room for improvement in the production of it?—Yes; not so much in respect to the worm itself as with respect to the mode of feeding the worms and rearing the plants they are fed upon; I am not sanguine in supposing any improved breed can be introduced from the south of Europe, with respect to the worm itself.

2418. What are the difficulties with respect to the mode of feeding and rearing the worms?—The cultivation of that kind of Indian mulberry which is applied in the greatest degree in India to the feeding of the silkworm; the natives who cultivate them labour under the same kind of inherent character they manifest on other occasions; they will not rear the plant in such a manner as to make the supply anything more than a very scanty leaf; a man who can supply exactly the quantum necessary for the filature in his vicinity, would not take the trouble to go beyond that; I should think it would be extremely well worth while to cultivate the arborescent kinds. Throughout the Bengal provinces the dwarf kind only is cultivated, which consists in shoots, cuttings that are allowed to remain a very short time, a very few seasons; the extreme rapidity of the produce is what the natives aim at, that which will give them an immediate return; but that return is not so great as it would be if they adopted that mode pursued in the south of Europe, of having mulberry trees in cultivation. I must remark, however, that the dwarf or shrubby sort is considered by the natives as infinitely the preferable sort, on account of the rapidity, richness and juiciness of the produce.

2419. With respect to the indigo plant, how do you account for the success which has attended the production of those plants which yield indigo, while the natives have failed in bringing to any perfection so many other products of which the country is capable?—I should attribute that entirely to the extreme facility in the growing of indigo, and the abundant crop which is produced in favourable seasons, almost every where in Bengal in the Upper Provinces it being an annual, a plant that the natives have merely to sow, and they take very little care, and it produces them a *prompt* return of money, which is the object the natives always have in view, a return for the smallest amount of labour; but the great superiority of the indigo, as a commercial article, hitherto, I should say, has been depending upon the wants of the foreign market; the foreign market required such a supply of that article, as to lead a number of Europeans into a minute investigation of that particular produce.

2420. Do you not consider that European capital has stimulated the industry of the natives in those districts?—As far as indigo is concerned, most assuredly; the native indigo is beyond all description bad; I speak of the indigo as it used to be supplied, before European skill and capital came into the market.

2421. Since that period you conceive there has been a striking improvement in the manufacture?—Exceedingly striking; even the mode of manufacturing by the natives themselves has been improved.

2422. Has the husbandry of those districts been improved also?—I should conceive so; a great deal of capital has been allowed to flow into those particular provinces.

2423. Is the vegetable plant from which indigo is now produced, likely to continue the exclusive source of that branch of the trade?—I should think not; it is almost desirable that it should not.

2424. What are the plants which produce indigo?—There are several plants which produce indigo; there is a kind of *asclepias* which produces the Sumatra indigo, an indigo brought to light many years ago by Mr. Marsden, the celebrated author of works connected with India. The same species of *asclepias*, or one very nearly resembling it, is a native of Bengal. There are, besides the indigo tree, various species of shrubs of the genus *Indigofera*, which produce indigo. I have found

found a species of this last-mentioned tribe with leaves several inches long, and apparently containing a large proportion of colouring matter.

2425. Tobacco has been introduced into India from the Western Hemisphere, has it not?—Yes, from time immemorial; it has no native name, which is a sure proof it is not the produce of India; but it has been in India from time immemorial.

2426. What is the present extent of its cultivation?—It is one of the smaller cultivations in India, it is rather limited in comparison with the articles I have before referred to.

2427. It is produced rather for domestic use than as an article of foreign trade?—Only for domestic use. I brought with me a kind of tobacco from the Burmese country, which was reported upon by brokers in London as being equal to the best from the West Indies.

2428. How do you account for the fact that the East Indies never produced any of this tobacco?—The tobacco in India is altogether bad. There is a kind of tobacco which is much prized in this country, that which bears the name of Masulipatam snuff, grown in the Northern Circars to a very limited extent however, and converted into snuff at Masulipatam, on the coast of Coromandel. Another kind of tobacco produced in Bundelcund, at a place called Belsa, and as limited in its production almost as the Burgundy or Champaign grape is limited in Europe. My object in mentioning these facts is to show that India is capable of producing good tobacco. The natives of Hindostan consume a great deal, but they do not consume it in the raw state as Europeans do.

2429. Do the mass of the people consume tobacco?—Yes, the majority consume tobacco, both Mahometans and Hindoos; but notwithstanding that the relative quantity of tobacco used is small, because they mix it up with molasses and spices, as well as with certain fruits, such as plantains and preserved apples, into a substance, which is smoked in that particular kind of pipe called the hookah.

2430. Is that preparation used by the lower orders of natives?—Yes, universally almost, low and high.

2431. Is tobacco used in China at all?—Yes, to a certain extent, more or less, with opium.

2432. Is it an article of import?—I believe not. I have known some of the excellent Havannah tobacco grown at Boglepur on the Ganges, by an European gentleman.

2433. Can you state the weight of tobacco which can be produced in one year from an acre of land?—On very rich land it has been known that eight maunds, that is 80 seers, a seer being about two pounds avoirdupois, has been grown; but on the average it may be said that four maunds would be considered a fair return in green leaf.

2434. Is the lac dye likely to interfere with indigo?—I should suppose not.

2435. What are the plants which produce lac dye?—There are a good number of them; several species of figs, of jujubes, the polash or dak, a sort of cytiscus called by the natives Urhur, even a sort of mulberry tree, besides others.

2436. Have there been any improvements introduced lately in the preparation of dye?—Yes, in the extraction of the dye. I understand a French gentleman, in the Upper Provinces, I think at Mirzapore, on the Ganges, found out a mode of extracting a dye, which he kept a secret, the produce of which far exceeded any that had been heretofore seen in the market.

2437. Does it appear to you that there is any improvement in the production of that article?—Certainly.

2438. Does it appear to you that the dye is extracted in the best manner?—It is considered an inferior article, because the operation employed in India for extracting it is very crude, but the article itself is very important.

2439. What are the purposes for which it is used?—For the purposes of dyeing, the same as vermilion is used and cochineal; it is a red dye, for the dyeing of cloths; the plants which yield the lac dye are not a few; I have, however mentioned the most important.

2440. With respect to the spices, cinnamon, cardamums, alspice, pimento and pepper, do you consider that the production of those articles might be carried to a greater extent than at present?—Certainly, to such an extent as to be limited only by the demand.

2441. Do you consider that by the application of skill and capital the cost of production might be materially reduced?—I should hardly suppose the cost of those

articles could be much reduced, that is almost brought to its minimum, and we must always depend upon the natives for the cultivation of those articles; the question would depend on the facilities for exportation, the exportation into foreign countries.

2442. If you do not think the price is likely to be reduced, why do you think that there would be a greater production?—I speak of the export of those articles, that it would be much greater if there was a greater consumption; this is limited I believe only by the price.

2443. Have you any suggestions to offer respecting the mode of feeding horses, elephants, camels, sheep and oxen?—All I can say is, that for any number of animals either for conveyance or for consumption, any quantity of food might be produced in the utmost possible abundance in India; with respect to the food of camels and elephants, I should think it extremely desirable to provide a more ready and abundant supply of food for them than has been done hitherto.

2444. How do you conceive that can be done?—By planting those trees which are extremely easily cultivated in India, which form the staff of life for them; the particular Indian fig-trees are not produced in that abundance near large stations to supply food for those animals that feed on them.

2445. Are horses fed on trees, as well as camels?—No.

2446. Is not the butchers' meat of Bengal extremely bad?—I should say it was extremely good.

2447. Can you get a good leg of mutton in Calcutta?—I think superior to any to be commonly found in the markets of London; I will not say superior to Welsh mutton; Bengal mutton, or rather Patna mutton, is a small breed, very much resembling South Down.

2448. What is the cost of butchers' meat?—I should say it is moderate in Calcutta. In speaking of butchers' meat I refer only to the situations in India where there are European settlements; though the Mahometans are allowed to eat meat, their consumption is limited in comparison to that of Europeans.

2449. Do you consider India to be capable of producing potatoes and yams?—To the utmost possible degree; I am very glad to have an opportunity of mentioning that the potato is one of those articles which has found its way within the last six or eight years into their domestic economy. They have no name in Sanscrit for it, for it is a foreign plant in India; but it has found its way amongst the people, and they are fond of it. It is produced in abundance, and is very cheap, owing to a circumstance which occurred five years ago; the supply of the potato in Lower Bengal used to be derived from the Upper Provinces, Bahar; the crop failed there, and the Court of Directors were requested to send out a fresh supply from England, which they did within the shortest possible time; I believe from the day of the despatch being sent from the Bengal Government to the day the supply came out was no more than eight months, and that gave a fresh impulse to matters; I speak of 1823 or 1824, since that the Upper Provinces have been supplied from Bengal. I would say I have not tasted a potato in England superior to those which may be had in the market of Calcutta and Patna.

2450. Do they form a cheaper article of food for the natives than rice?—No; but it has been thought desirable that their sustenance should be improved; there is more sustenance I believe in the potato than in rice; it would make them a more robust race if they were to feed on them, I believe.

2451. Can you state what is the number of new articles of produce which have been raised in India, or brought into extensive cultivation within your experience?—I should say in strictly agricultural matters, and in matters applicable to commerce, that coffee is almost the only one. A great variety of fruits, the produce of foreign and distant countries, has been extended to India; they have become objects of cultivation by natives as well as Europeans, and their introduction has added a feature to the native character which is novel; they participate now in the pleasure of European gardening to an extent which is quite remarkable. Formerly rows of beetel nuts, the tagetes plant, or some antiquated things of a similar description which have not much variety to recommend them, used to be the extent of the native art of horticulture; now there are very few natives who can afford to have a house in Lower Bengal, near the European stations, that do not indulge in a little pleasure ground.

2452. Do you not conceive that the natives generally are turning their attention to commercial pursuits more than they did formerly?—I should say naturally they would do so in the neighbourhood of commercial towns that are flourishing.

2453. Have

2453. Have you paid attention to the cultivation of the poppy?—No; except on one point, on which I wrote a paper eight or ten years ago, containing a statement of the preparation which the Bahar and Patna opium undergoes before it is purchased by the natives of Penang and China, and elsewhere, and with reference to the consumption of opium at Penang, the relation between the prime cost of that opium and the retail price. The memoir has been inserted in the Calcutta Agricultural Society's Transactions.

2454. Have you anything to state with respect to coffee and tea in India, in addition to what is to be found in your paper, which is before the Committee?—Since I had the honour of presenting my observations to the President of the Board of Control for India Affairs, I have collected a good deal of matter connected with the tea cultivation in China, and the mode of gathering the leaf. Mr. Reeves, who has lately come home from China, has favoured me with much valuable information on all those points. I have likewise to offer some remarks on the manner in which I would suggest that a small experiment ought to be made with regard to the cultivation of it. I abstained from entering upon that subject in my report as being matters of detail.

2455. Have the goodness to state what has occurred to you upon that subject?—The great point would be to get the genuine good kinds of tea from China, an object of paramount importance, which would require great care and caution. Unless the Government authorities in China were to interfere in a prudent and cautious manner, with the view to obtain, without offence to the Chinese, the genuine kinds of tea, I should not recommend any attempt at making experiments in India, for they would never lead to anything satisfactory. The teas should be of the genuine good kinds. In the next place a very cautious selection should be made of the spot on which the experimental plantations, I would call them experimental nurseries, were to be established. I would have very careful people to take charge of them; and I should as a general rule say, make the experiments rather on a small scale than a large one; the only thing I should look to beyond a satisfactory result of the experiment itself, would be the practicability of making the plantation repay the cost of it.

2456. Is there any particular province you would recommend?—There are various provinces; I might recommend the provinces of Kamoon, Sirmore, and some more.

2457. Have you seen a plan for forming a joint stock company for the growth of tea on the Nepaul mountains?—Yes, one was communicated to me soon after my coming to England, by Mr. Walker.

2458. Do you conceive that situation would be a favourable one for the experiment?—There are some good arguments in that production, speaking of it only in an agricultural view; but I do think that many of the premises are wrong, and the author has only, as it were accidentally, arrived at the right conclusion with respect to the probability of tea being cultivated on a large scale in India.

2459. Do you consider the situation properly selected?—Some of the situations mentioned are decidedly bad; he speaks of the cultivation of tea at Java and Penang, where we know it is a complete failure; and since I submitted my report upon tea, there has been sent to me samples of Java tea as fair and good samples, and I should say that poor must be the man in England that would drink the best of them.

2460. Should you feel sanguine that a company properly formed with that view, would get a return for their capital?—Certainly not; I should disrecommend it *in toto*, for we are on trodden ground. I have submitted my views, but after all the matter is problematical; experiments have been made so perfectly without reference to those points which ought to be kept in view, that they can lead to no result whatever; we are just where we were before tea was ever tried as an article of cultivation in India.

2461. Do you think that the experiment should be in the first instance made by the Government?—I think so decidedly; the Government would select officers in whom they could repose confidence, partly for the selection of the shrubs in China, and partly for the carrying into effect the experiments on a limited scale; they have means which I believe no individual could command; but I beg particularly to state, that it should be a limited experiment, not an experiment attended with any very great expense.

2462. Is there any other statement you have to make upon these subjects?—I will only state, that the Company's territories in India are productive of every

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article which can conduce to the happiness of man, and it only requires skill and ingenuity, and encouragement both to the natives and to Europeans in India, to select everything that can possibly be desired.

James Cosmo Melvill, Esq. called in ; and Examined.

J. C. Melvill, Esq.

2463. THE nominal amount of the Company's subscribed capital is six millions?—It is.

2464. How much of that was actually paid up?—Some of the capital was subscribed by authority of Parliament at rates exceeding 100 *l.* per cent.; the last subscription was 200 *l.* per 100 *l.* stock. The whole sum paid up by the proprietors amounted to 7,780,000 *l.*, independently of the dead stock which existed at the time of the union of the two Companies, and which was valued at 400,000 *l.*

2465. It was in 1793 that a further subscription was authorized, was it not?—It was in 1793 that the last addition was made to the capital.

2466. What was the value of the Company's commercial property in 1793?—I am not aware that any statement has been made of the Company's commercial property in 1793, when, as the Committee are aware, the account of the territory and the trade were not separated.

2467. Would it be difficult to take it from the stock computation?—I apprehend such a statement might be prepared.

2468. Do you think it would be possible to separate the commercial debts and assets of the period of 1793 from the territorial debts and assets, upon the same principles as were applied to the separation in 1814?—I think it would.

2469. The amount of capital really employed, as computed on the first of May 1829, is 21,102,182 *l.*?—It is.

2470. Will you explain how the increase upon the original six millions has arisen, commencing first with the period of 1793 to 1813?—I apprehend the increase between 1793 and 1813 must have arisen from the addition made to the capital in 1793, and from an accumulation of commercial profits.

2471. Will you state on what principle it was that the Court made the assignment of debts and assets to territory and commerce at the commencement of the present term, which is found on their stock per computation in 1815?—That has been explained lately in a letter from the Court to the Board, from which I will read the following passage, viz.—“The provisions of the Legislature for the separation of accounts in 1813, became the easier of execution by reason that one of the most important questions connected with this subject, the character of the India Debt, had been previously determined by the Legislature itself; the Charter Act of 1793 having described this debt, as ‘incurred in the defence and protection of the British possessions in India,’ and that of 1813 in its financial provisions referring to it, under the express appellation of ‘Territorial Debt.’

“The debts due in England as the consequence of the Indian Debt (bills drawn for principal and interest, loan from the public raised to discharge such bills, &c.), obviously fell under the same classification, and were so stated in the home accounts; and with regard to the loan of 2,500,000 *l.* from the public, the Act of 52 Geo. 3, c. 135, as well as the Charter Act of 1813, clearly determined its territorial character.

“In regard to the Bond Debt, so clear and unequivocal a guide did not exist, and therefore it was for many years retained as an item in suspense; but on a recent occasion the Court have explained to the Board the grounds upon which they are convinced that this debt also is territorial.

“The separation of the Assets was accomplished with but little difficulty. As respected those abroad, the great mass of the property of which they were composed was employed for services connected with the Territorial Branch: the Quick and Dead Stock Accounts, even prior to 1813, showed the amount existing in each department of government (the Commercial being then one of such departments); but the classification of that period being in some respects erroneous, directions for adapting it to the system to be in future observed were sent to India with the public letter to Bengal of 6th September 1813.

“The Assets at home and the property afloat were obviously for the far greater part of a commercial character, being employed in operations necessary to carrying on the Company's trade, and having been derived from commercial sources. The few cases of exception, such as the balance due from Government on account of sums expended in military expeditions and other political services, and the amount of

of a remittance of treasure on its passage to England, for the purpose of discharging political demands at home, were considered to be territorial, according to the principles of classification applicable in India to the transactions in which these assets originated.

"The separation which took place in 1814 thus respected the property actually existing in each branch, together with the ascertained liability of each, and sufficient, it is presumed, was thereby accomplished for the future distinct exhibition of the financial operations of the two branches, during the continuance of their union as one concern.

"The Board will not fail to observe, that the separation of debts and assets in 1814, was independent of the ultimate territorial claims of the Company as a commercial corporation, which, during the term granted to the Company, were reserved by the Legislature (53 Geo. 3, c. 155, s. 95), the full extent of which it will rest with the Court to bring forward, under the sanction and by the authority of their constituents, whenever circumstances may render that course necessary."

2472. Was that division and assignment the subject of arrangement between the Board and the Court in the same manner as the division of the account was provided for between them?—No; the plan for the separation of accounts which was framed with the approbation of the Board was prospective; but the Board of course had cognizance of the accounts in which the separation retrospectively was made, upon the principles contained in the passage of the Court's letter before quoted.

2473. Do you consider the commercial proprietors to be liable by law to the territorial debt?—I really do not feel myself competent to give an opinion upon that point.

2474. Do you know the form of the obligation?—I believe the obligation is expressed in the name of the Company of Merchants trading to the East Indies.

2475. Will you state what you consider will be the debt due from the territory to the commerce at the close of the present term, according to the latest estimate?—Between four and five millions.

2476. What remittances have been ordered since 1828–29, in payment of the debt due from territory to commerce?—Remittances were ordered of one million in 1829–30, one million in 1830–31, and of 600,000*l.* in 1831–32, to be effected in bullion, or in bills upon the security of cargo.

2477. Bullion has been received in discharge of the two first orders?—Yes, it has, and bills also.

2478. Can you state what rate of exchange was realized?—About 1*s.* 11*d.*

2479. Can you state what has been the profit on the China trade in each of the years since 1828–29?—In 1829–30 it was 924,000*l.*; in 1830–31 it was 1,078,000*l.*; and in 1831–32, 932,000*l.* These are the results supposing the funds furnished from India to China to have been remitted at the mercantile rates of exchange for bills in London upon India, instead of the Board's rates.

2480. Will you explain to the Committee the circumstances under which the Company would be entitled to the payment of 1,207,560*l.* the amount of East India annuities grafted on the 3 per cent. Reduced Account, by the 33 Geo. 3?—That I can from the proportion of East India annuities due by the public to the Company; and the condition of every new arrangement between the public and the Company has been, that at the expiration of that arrangement the sum in question should be repaid to the Company at par; that was a condition of the Act of 1813. (*Vide* also 33 Geo. 3, c. 47, s. 7.)

2481. To what part of the arrangement do you refer, to the exclusive trade?—It is that clause in the enactment which declares that both the term for administering the territorial revenues and the exclusive privilege of trade shall cease upon three years notice, given after the 10th of April 1831, and upon payment by the public to the Company of the East India annuities held by them.

2482. At what period did that balance, which forms the subject of that enactment arise, as a debt due from the public to the Company?—It was much larger in 1750, and was soon after that reduced to its present amount by sales of the East India annuities, rendered necessary by the military expenditure in India.

2483. Is there any particular reason why this amount of annuities was not sold as the others were?—Although not sold, the Company have occasionally borrowed upon that security; they were of course unwilling to dispose of this part of their commercial property, which when paid to them by the public must be at par.

2484. Will you state whether you consider the system of Indian finance and of trade, as connected with financial arrangements provided by the Act of 1813, as

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being complicated, and whether they might be rendered more intelligible?—My impression is, that the financial clauses of the Act of 1813 are complicated and obscure; the working of the system, however, appears to me to have been perfectly intelligible, although there may have occasionally arisen doubts of the precise meaning of the different provisions in the law.

2485. Has it not in its operation led to much difference between the Board and the Court?—There has been a difference of opinion upon two of the clauses respecting the remittances from India, which the Board consider applicable in the first instance to the discharge of interest of the Indian debt, whilst the Court give the priority to the payment of the ordinary territorial charges; but I think that the Board's rates of exchange are the main cause of that difference of opinion. Those rates which do not apply to the interest are so unfavourable to the Company's trade, that the Court have been naturally desirous to protect the Company as far as possible, and an anxiety on the part of the Board to let the Indian territory have as large a benefit as possible from those rates.

2486. Are there any suggestions which it occurs to you to offer, with a view of improving that system of finance, and the accounts generally in the Act of 1813?—It would I think be desirable that accounts in the shape lately rendered by the Company to the Board, should be presented to Parliament, instead of those which Parliament now requires; I mean accounts which exhibit cash balances at the commencement and at the end of each year, and all intermediate receipts and payments.

2487. You refer to the two sets of accounts, called the Commercial and Territorial Revenue?—Yes.

Mercurii, 15^o die Augusti, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

N. M. Rothschild, Esq. called in; and Examined.

N. M. Rothschild,
Esq.

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2488. WILL you have the goodness to state what course you should recommend to be taken in the event of its being necessary hereafter for the government in India to remit annually from India to this country, an amount varying from two to three millions sterling?—I should recommend to the Government for a few years to try gradually to remit in specie, either silver or gold; and as the trade from India will be open then, the Government can give great facilities to different people in trade; they may then take bills on England. Hitherto the trade from this country to India has been carried on through the India Company and half a dozen India houses; if you wish to sell on the Royal Exchange a bill on India, the only purchasers were such houses as Messrs. Fletcher & Alexander, and Messrs. Cockerell and others. To this trade a great capital is wanted, as the bills which go to India will be six months going, and until the returns will come again will be from six to eight months more; on that principle it is not possible that Government can sell immediately so many bills on the Royal Exchange, as there is not capital enough on the Royal Exchange for that object at present, as particularly the trade of India is only in a few hands; but if the India trade were opened, there is no doubt in time a great many bills could be sold on the Royal Exchange to different merchants who will then deal to India, but for the present I think the Government would do well for their own purpose, gradually to send from India specie, and in that case not to oppress the market in India, to establish an office there, and the party who receives the money in India to lend the money to some of the merchants at a small rate of interest, and gradually remit it home in specie, or lending the money to merchants that will keep the money in circulation, which will do good to the Government and to the merchant; and if the Government wants money, to issue Exchequer Bills upon that money which they receive. Suppose that money cannot be remitted as it shall be wanted in England in six months, and that the people in India will be obliged to have more time, 12 instead of six months, if the Government want money, they may for that little time issue Exchequer Bills to straighten their accounts till the money comes in; this is the best course I can recommend to the Government.

2489. Do

2489. Do you think taking bills with the bills of lading of cargoes as security would be a good and safe mode of remittance for the Government?—Certainly, it would be a very good mode; it can be done by acting upon that principle, and giving great facility to the trade with India, but the Government must do it with responsible persons.

2490. Do you not think, through the medium of the different public docks, there is every facility for securing the proceeds of the cargo to the person who advances on the bills of lading, without the Government employing themselves in an expensive agency for disposing of the cargoes here?—The dock companies will receive any cargoes of vessels entrusted to them, and I have no doubt they will do all that may be required in appropriating their proceeds to the rightful owners.

2491. What proportion of the value of the cargo would you approve of their advancing?—I would advance 75 per cent. immediately in India, and if the property shall come to England and shall not meet the amount advanced, the consignee or manager in England shall be required to deposit five or ten per cent. more.

2492. Are you aware that the trade to India is perfectly open?—Yes, I am aware that it is, except the China trade.

2493. What is your opinion of the effect of remitting large sums in bullion from India annually?—There is no doubt that would do ultimately not much good to India, taking away all her specie, but this must be judged by the parties who are there, seeing how the circulating medium is; it must be judged of by the Government at the time.

2494. Would the effect depend on the means of procuring specie, if India, by exporting her own commodities to China or any other country, is able annually to receive a large amount in specie, in that case the annual remittance of specie will not be so prejudicial?—Certainly not; but if the principle I mentioned before is followed, that there shall be some person of respectability who shall look into it and guide himself according to circumstances; if the money is very plentiful he may send specie to England, if money is scarce he shall do the contrary, and shall try to lend that money on consignments to England, and on collateral security there, by which he will do good to India and to this country, because if the goods fall too much, people will be alarmed at purchasing in England lest the goods should be lower, so that the party who receives that money, if he is respectable, may do good to India and to this country.

2495. How is the Government to judge of the respectability of the party?—Government must send out two or three persons there for the purpose of information on that matter.

2496. The value of a cargo of course must depend upon examination; would you take a gentleman's word as to the value, or examine the cargo?—I would take a gentleman's word and examine the cargo besides.

2497. In the case of Government making large remittances from this country for the purpose of carrying on a continental war, was it in the habit of purchasing bills, or did it employ agents to purchase them for the purpose of making remittances to the continent?—Agents were employed.

2498. Would not the two cases be precisely similar, the Indian government purchasing bills on England, or the English government purchasing bills on the continent?—The difference is this, there is a great deal of trade going on from England to the continent, perhaps by 1,000 merchants, so that they may easily buy bills on the continent; but the trade of India has been in very few hands at present; by opening of the trade they may have more chance of doing the business in the same manner as it is done on the Royal Exchange here, in the purchasing of bills on European towns.

Sir John Hall, called in; and Examined.

2499. WHAT was the quantity of goods of every description deposited in the warehouses of the St. Katharine's Dock Company on the 1st of January last?—Fifty-two thousand tons.

Sir John Hall.

2500. What was the quantity of goods landed, housed and delivered, during the year 1831?—Two hundred and fourteen thousand tons.

2501. What is the estimated expense per ton of goods upon landing, housing and delivering, including the usual internal operations in so far as relates to the disbursement for actual labour?—About 6s. per ton.

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2502. What

2502. What is the permanent establishment of the St. Katharine's Dock Company, and what the annual charge on that account?—There are nineteen directors, the amount of whose salaries is 2,950*l.* a year; 78 salaried officers, 13,682*l.*; the amount paid for wages during the last year for foremen, labourers, coopers, ship-workers, messengers, apprentices, gate-keepers, the police and firemen, 34,000*l.*, making a total of 49,532*l.* It is necessary I should here observe, that the permanent establishment of the St. Katharine's Docks, with relation to labourers, is only 150; we have a second class of labourers, called preferable labourers, consisting of 250; and the third class of labourers, who are distinguished as extra men, who having tickets are entitled to be employed as the service may render necessary, by which means considerable economy is introduced in the management, inasmuch as at all periods no more than 150 men are to be provided for by the Company, the whole of the labour being regulated by the demand of service.

2503. What are the other annual expenses incidental to the management of the business of the Company?—The amount of stores and materials expended during the last year upon the extent of business before stated was 6,000*l.*, insurance from fire, 500*l.*; rates and taxes, 6,500*l.*; the repairs, including addition to plant, fixtures and machinery, 2,500*l.*; and incidental charges, which includes lighterage, expense of steam vessels, coals, and losses by accident, 5,000*l.*; in addition to which the Company have a superannuation fund, which is established on a novel and improved principle, as none of the officers of the establishment, or the labourers, contribute to it, but the Dock Company set apart every year two and a half per cent. upon the amount of the sum expended for labour, and five per cent. upon the amount of salaries, which is invested, and constitutes an accumulating fund, so that any officer or person in the service of the Company meeting with an accident whilst in the discharge of their duty, or when at the age of 65 being no longer competent to the due execution of their duties, would be entitled to have their claims considered by the Directors as to whether any superannuation should be allowed him or them, or not. This fund is entirely, as to its disposal, in the hands of the Directors, without the possibility of any legal or equitable claim being raised by the officer, if the Board should not consider his merits as deserving a favourable consideration.

2504. Is it understood that except in case of accident, or in case of a servant reaching 65 years, he is not entitled to allowance?—He is not even entitled to have his claim entertained, unless incapacitated by accident; at the age of 65, if still competent to the discharge of his duties, he would not be entitled to any superannuation; the allowance would only be extended to such who from accident or incapacity produced in the service of the Company are rendered unserviceable previous to the age of 65. The amount so set apart last year amounted to 11,000*l.*, so that the total disburse of the St. Katharine's Dock Company for the last year was 71,130*l.*, being the charge upon the conduct of the business. The total amount of outlay of the Company is about 2,150,000*l.*, which is composed of the following items; 900,000*l.* for buildings, and works connected therewith; 850,000*l.* paid for the site, and for compensations; and 300,000*l.* for works in the engineer's department; and the residue for interest paid the proprietors on investments prior to the opening of the docks, law charges, plant, fixtures, &c. To the 71,132*l.*, last year's expenditure, having borrowed the remaining monies beyond the fixed capital of 1,352,000*l.*, the Dock Company pay annual interest 4 per cent. for the loan, which makes an annual charge of 34,000*l.* to be also provided for prior to being able to pay any dividend, making together a total of 105,000*l.* as the annual charge upon the Company.

2505. Do they not pay a dividend on the capital?—From the period of the passing of the Act until the opening of the docks, the proprietors received 4 per cent. upon their investment, which is included in the general outlay, and since the opening of the dock, the Dock Company have paid a dividend of 3 per cent.

2506. What is the average amount of rent per ton for goods by the year?—*£*.1. 2*s.* 6*d.*

2507. What do you consider would be a fair return for the investment of capital in such an undertaking as the St. Katharine's Docks?—I should consider 6 per cent. a fair return for the investment of capital, taking the chance of further profits in the capacity of warehouse-keepers.

2508. What extent of additional business beyond that conducted last year would yield an income equal to a dividend of 6 per cent.?—One-third increase of business would

would yield an increase of dividend equal to about 100 per cent., inasmuch as the source from which such income would now be chiefly derived is from warehouse-rent. We have at present about 50,000 tons of goods in warehouse, which, if increased to 70,000 tons at the rate of rent I have described, would, with the attendant increase of business, produce a sufficient income to warrant a dividend of 6 per cent.

2509. Are you acquainted with the mode in which the East India Company conduct their warehousing business?—I have some knowledge of it, though not intimately acquainted with the immediate details; but it is a subject as connected with the trade of the port which has been constantly under my notice for many years past.

2510. Do you think it is economically conducted, or that it is susceptible of a less expensive management?—I conceive it is conducted at a very large expense, and certainly is susceptible of a very considerable reduction; I will mention one item, namely, labour only. I understand the East India Company have a permanent establishment of from 2,700 to 2,800 labourers, for which I am satisfied sufficient work cannot be found during the whole year; the East India Company's labourers are also better paid than the labourers are in the St. Katharine's Docks. The extent of pay in the dock for permanent labourers for eight hours work is 2s. 8d. per day, and we generally get an additional half-hour, part at commencement and part at the termination of the hours, making eight hours and a half, less a quarter of an hour for refreshment; whereas the East India labourers for the same time would at their rate of pay get 3s. 6d. per day; in addition to which, without intending to cast any reflection upon the practical management of the East India Company's warehousing business, it is natural that in an establishment where appointments do not take place by influence or patronage, the men are not only better looked after, but more work is obtained, from a spirit of emulation and a desire of promotion, than in an establishment where such appointments are governed in general by patronage and influence, which I believe is the case with the East India Company. It is understood that the expense of labour alone paid in one year by the East India Company has been 160,000*l*.

2511. Do you think, considering the nature of the goods warehoused by the East India Company, taking the amount of tonnage, the number of labourers, and the circumstances of those labourers, that a fair comparison might be made between the East India Company's warehousing system, and the St. Katharine's Docks warehousing system, by comparing the tonnage of the two establishments, and the expense of labour in each?—I see no difficulty in establishing such comparison whatever.

2512. Do you think that it is a rule of three sum?—No, not quite so, as there is one and a chief branch of their trade confined to tea alone, and the way to arrive at the comparison would be, to dissect and separate that branch from the remaining branches of their trade, when the residue would, as a matter of comparison, be ascertained upon the principle of a rule of three; the other would be an addition of the expense attending the internal operations upon tea.

2513. What other article of trade is there which you think would best admit of comparison with the article of tea?—None whatever; the greatest portion of the increased labour on tea is in the mending of the chests, and the sorting of qualities, and putting them on show, which is a very tedious operation, and the assortment and sampling certainly requires considerable skill.

2514. Is the mode of levying rates by the East India Company, different from that of other dock companies?—It is; the East India Company levy their rates by an *ad valorem* per centage, varying from one and a quarter per cent. to seven and a quarter per cent. according to the tariff of the several articles. The principle upon which the rates of the Dock Company are calculated is, first with reference to the expense of labour, next, the cost of material, and last, the profit added thereto necessary to produce a fair remuneration upon the capital invested. The *ad valorem* rate of charge of the East India Company, is on a great number of goods extremely heavy, whilst on some few it is very low.

2515. The effect will be to make it on some articles disproportionably high, and on others disproportionably low?—Certainly, according as the market rises or falls; and since the prices of some articles have been much depressed, we have found about half-a-dozen of them usually lodged with the Dock Company, which have now been placed under the management of the East India Company, their *ad valorem* mode of charge not covering the expense of working the goods, so that the con-

signees have found it better worth their while to place them under the East India Company; on the other hand, there are other goods, which being of great value, the rates operate the other way, and the East India Company have nearly lost the whole of the sale of several staple commodities, such as cotton, saltpetre, sugar, drugs, &c., which at one period formed some of the chief articles of their periodical sales. The charge on indigo is extremely heavy, as compared with what it would be if warehoused and sold by other parties.

2516. As the East India Company sell the goods of merchants at periodical sales, would there be any difficulty on the part of the St. Katharine's Dock Company affording a similar accommodation to the merchant, and at a reduced charge?—None whatever; for a considerable period, prejudice has existed in favour of the mode of management of the East India Company, sufficient cannot be said in favour of it, but the charge exceeds the proportional advantage in very many instances.

2517. What charge would you consider it reasonable for the St. Katharine's Dock Company to make?—I can take upon myself to say, that the St. Katharine's Dock Company would be content to perform the management generally at one-third less than the rate charged by the East India Company; deducting one-third of the rates now levied by that body *ad valorem*, the Dock Company would be content to take those rates as a remuneration for the mere warehousing and management, charging rent and delivering charges in addition.

2518. Taking the amount of rates levied for warehouse room, and the amount levied for care, you say, putting the aggregate of the two together, the St. Katharine's Dock Company would do it at two-thirds the amount?—Yes, generally, with some few exceptions, and assuming the same privilege as to exemption from auction duty, as enjoyed by the East India Company.

2519. Are not all goods sold by the East India Company free from auction duty?—The Act of the 19th Geo. 3, c. 56, s. 13, exempts all goods sold by the Court of Chancery, by the Exchequer, the Customs and Excise, the Ordnance, the Victualling and Navy Boards, and the East India Company and Hudson's Bay Company from auction duty; I think it is clear, that the intention of the Legislature was to exempt the goods belonging to the East India Company only, but from no inquiry having been made into the practice, merchants have sent up goods from Liverpool and various places, after trying to sell them ineffectually, and have placed them under the East India Company's management, and by that means the auction duty upon sale of private property has been evaded.

2520. What is the actual duty charged on goods, the property of the importing merchant?—An half per cent., by Treasury order, dated 17th September 1816, provided the goods are sold for first time, and have not changed hands from the first importer, limited to twelve months; so that if the goods have been previously put up to sale at Liverpool they would, according to my interpretation of that Act, not be exempt from auction duty if sent up and sold at the East India Company's sales.

2521. Have not the East India Company some arrangement with the East India Dock Company, under which they pay them an annual sum for the use of their docks, and has not this agreement led to directions from the East India Company to their officers in India to compel every ship, having on board goods of the East India Company, to proceed into the East India Docks to discharge, by which the consignees of the remaining portions of cargoes have been put to much expense and inconvenience in removing such goods to more convenient places of deposit?—The agreement between the East India Company and the East India Dock Company, I have understood to condition a payment for the use of those docks of 30,000*l.* per annum, so long as the charter shall continue, which secures to the East India Company the use of the East India Docks, and of their warehouses; the effect certainly has been such as is embraced in the question, namely, that directions have been issued by the East India Company to their officers in India, subject to some slight modification, to compel vessels on board of which goods are shipped in India on account of the East India Company, to proceed to the East India Docks to discharge, the object of which compulsion is to fill the warehouses there, and to derive the advantage of the landing and wharfage charges; but the course of trade has latterly been such that the private trader generally prefers having his goods deposited in a place more proximate to the seat of business, where, for the examination and personal inspection it is more convenient; the chief part of such goods have therefore been removed

at the desire of the private owners, either by lighters or by land-carriage from the East India Docks, and deposited chiefly in the warehouses of the St. Katharine's Dock Company. The consequence of the arrangement referred to between the East India Company and the East India Dock Company has also been to produce a course of business which must be attended with very considerable expense to the East India Company, as some goods arriving in the St. Katharine's Docks on board ships from India, placed under the management of the East India Company, with no other object than to fill the warehouses hired at the East India Docks, are removed from the St. Katharine's Docks by lighters down to the East India Docks, and goods are also frequently removed in like manner from St. Katharine's Docks to the East India wharf at Billingsgate, an establishment which I should think well worthy the consideration of the East Company to dispense with. As a practical man, I cannot discover the slightest advantage of that establishment, which is attended with a great and useless expense: the lighters or hoys, which are a part of the establishment, must also be attended with an enormous expense, as they are frequently sent in for a small parcel of goods; lighters equal to 150 or 160 tons, having a crew of from four to five persons on board; the latter is the number I have seen on board, but whether any of them were elders or persons sent to superintend the loading I cannot say.

2522. You have not made any calculation what your rates are upon the average per cent. upon the goods?—No, I have not; but I have investigated sufficiently the table of rates of the East India Company, which is governed by an *ad valorem* charge, to say that the St. Katharine's Dock Company, as before stated, could generally afford to conduct the business at one-third less of most articles, if the merchants would send their goods, and place them under the management of the St. Katharine's Dock Company, and have a sufficient profit. Take the article of indigo, for instance, by way of comparison, it is subject to two and a quarter per cent. upon the value. Estimate a chest of indigo to be worth 75 *l.*, that would bring the rate and lot money to about 32 *s.* a chest; the St. Katharine's consolidated rate would be 17 *s.* 6 *d.* a chest, to which add for management of public sale, (free of auction duty,) 2 *s.* 6 *d.* to 3 *s.* 6 *d.* a chest, would bring the expense to 21 *s.* per chest, as compared with about 32 *s.* per chest, in that case the difference would be one-third less, although on indigo greater than on goods generally, the article being of great value; on the other hand there are some goods, which, from their low value, the rates do not remunerate.

2523. In your opinion has the relaxation of the Navigation Laws, as respects the trade with India, had an injurious effect on British shipping?—I think it has been beneficial; but I was of opinion at the period of the alteration of the law, and which has since been confirmed, that its effect would be limited, as the trade from the ports of India to the continent of Europe is different in its character to anything like a general trade; a British ship, for instance, lying on for a general cargo in India would most probably fail in the object; unless the investment or the operation were connected with an original design of sending the ship out, or the loading consist of a whole cargo, the relaxation of the law permitting the ship to proceed to the ports of Europe would not be materially felt. I am decidedly of opinion that if some arrangement could be made with the French government, with respect to the principles of our Navigation Law, which they now enforce against us in regard to goods the produce of India, it would be very beneficial, and I view it in this way: at present the French government interdict the importation of all goods, the produce of Asia, direct from this country into France; they have had two objects in that regulation, the first was to encourage their own direct trade by which India goods coming through this country for the purpose of consumption in the ports of France (for they cannot dispense with various of the articles) are subject to the expense of a transit through Flanders, the expense of which operates in favour of their primary object, namely, to encourage a direct trade, for in proportion as those articles are surcharged and become more costly to the consumer, in the like proportion the India goods brought direct from India into France are the better able to compete with those from hence. The French trade with India is of a very limited character, and provided the discriminating duties which exist in India were abandoned, it is possible that something like an arrangement might be assented to by the French government abandoning the restriction as affects direct importation, and if that could be done I am satisfied we should derive great advantage from the arrangement.

2524. The principal trade is the export of wines, and the bringing back the indigoes particularly, and other goods?—Yes; the French purchase in the India market at a great disadvantage; in the article of indigo, for instance, there is only two or three qualities, which are chiefly suited to the French market, whilst they are compelled to buy an article which does not suit them to obtain that which does, thus surcharging the article they do require with the loss on that which they do not, they being obliged to send the latter goods to other places for sale. In the outfit in the French ports they have a difficulty in obtaining dead weight; whatever freight of that kind they carry out must be attended with great expense; all the iron, lead, &c. are brought from other places; the materials for ship-building are imported into France; their iron, their hemp, flax, pitch, tar, timber, &c., and I am convinced they cannot compete with us in the economy of ship-building, or advantages of navigation.

2525. Do you apprehend if there were not impediments thrown in the way by the French it would be of any advantage to allow British ships arriving direct from India to unload a part of the cargo in France, and the remainder in this country?—If the trade were susceptible of such an accommodation, I think that it would be desirable; but I have very strong doubts how far any merchant would put his goods on board a ship for an ulterior destination, which he knew was going to discharge a part at an intermediate port, when he possesses the advantage of sending his goods direct by another ship, relieved from all the inconveniences of double insurance and delay; it would be more advantageous for the party desiring goods in France to bring the ship to this country in the first instance, and transship the proportion that was fit for the French market.

2526. Do you apprehend that most of the indigo and other Indian goods that are imported into France at present go through Flanders?—From this country, all; the prohibition is most strict; they go in small Netherlands vessels to Flanders, are discharged at the nearest point on the frontiers of France, and some portion, I have no doubt, is smuggled in; but the greatest portion is imported by ordinary and regular means.

2527. What proportion of French wines sent out to India go direct from France, in your opinion?—The communication between France and the Indian ports is very limited; I have never been able to understand that more than about ten or fifteen ships go from the ports of France in the course of a year to the British possessions in India; I should not suppose that the quantity of wine shipped is very large; I have understood that a predilection has existed for French wine which has been first deposited in this country, the names of the houses here being well known, and operate as a guarantee for the quality. I believe the trade carrying on between the French ports and India is a losing trade.

2528. Do you find any difficulty in obtaining labourers on the terms you have stated, that they shall not be under constant hire?—None whatever. The Dock Company have issued about 1,200 tickets to extra labourers, over and above the 250 preferable men; when it suits them they attend at the gates in the morning, and when they know there is a good deal of business in the Dock, the average number attending is from 800 to 900, when a selection is made of the best, by which our labour is as economically, and perhaps more economically conducted than that of any other similar establishment, although the arrangements in principle elsewhere may in degree be of the same nature as those of the St. Katharine's Dock Company; every attention is paid, and regulations enforced, for economical management.

2529. Can you state how much the expense will be increased in respect of labourers, if they were all in constant hire?—If they were all in constant hire, and all had constant employment, there would be no increase; but to establish a comparison it will be desirable to refer to the extent of business transacted by the East India Company as warehousekeepers, as compared with the St. Katharine's Dock Company; I estimate the stock of bonded goods in the warehouses of the East India Company at about 55,000 or 56,000 tons; the stock in the St. Katharine's Docks at about 52,000; if their landings and deliveries are equal to ours, an enormous diminution in expense in labour presents itself.

2530. Does the 56,000 tons include the teas?—Yes, the teas form about 22,000 tons.

2531. Are you aware what the East India Company pay their labourers?—Yes, they pay them 2s. 9d. a day for six hours, and 3d. for every extra hour; 6d. per day extra if at work on indigo, and to the Blackwall labourers 4d. per day additional for shoe money, on account of distance.

2532. Does

Sir John Hall.

15 Aug. 1832.

2532. Does that include what is stopped for their fund for their support when they are pensioned?—I do not know.

2533. Do you allow your labourers medical attendants during their illness?—In case of accident only, not otherwise.

2534. Neither your permanent nor your other labourers?—If they are ill from other causes we make them no allowance; but when incapacitated by accident, from 2s. 6d. to 3s. 6d. a week, according to the extent of their families and merits.

2535. You do not consider the second class as permanent?—No, they are only entitled to a preference when the service renders it necessary to employ extra hands.

2536. Can you state what the whole amount of medical assistance comes to in a year?—The expense does not amount to more than 25 l. a year; it is confined to the 150 labourers who are permanent.

2537. Do you not conceive that the management of teas requires a greater degree of care and skill than indigo requires; does not it strike you that that would require a greater number of labourers and more skill?—There is no doubt of that. I have adverted to the tea branch as a separate disburse; in a comparison, the expense on tea must not be included, but taken under a separate head.

2538. Have you landed any indigo?—Yes, 8,000 chests since last January, being about one-third of a year's importation.

2539. Do not the East India Company house and manage indigo in the St. Katharine's Docks?—Yes, they do.

2540. Does it appear to you that the management of that portion of the indigo which comes under your inspection is made with a greater degree of extravagance than it ought to be done?—Certainly; attended with infinitely more expense than the St. Katharine's Dock Company. I will venture to say that the labour of the East India Company might be saved one third, which is gained by us in the mode of keeping our people at their work. The men of the East India Company are constantly loitering away their time; our officers sometimes take the liberty of pointing this out to the elders, &c. of the East India Company, but they say they have a difficulty in enforcing discipline. I have seen the East India Company's labourers at times asleep in the corners of the floors; their superiors have been told of the circumstance, but there is a want of discipline inseparable from a system, which there is not in ours, arising, I conceive, from the evils of patronage and influence in appointments. When we work indigo we can do it at half the expense of the East India Company; but I do not mean to say we do it better, although some of the buyers have been pleased to say we do.

2541. Are you aware that no labourer has been appointed through patronage for the last four or five years?—No, I am not aware of that.

2542. Are you aware that at the Blackwall Docks and warehouses there are few or no permanent labourers?—At the Blackwall Docks, which is the only exception, they take on extra labourers in the same way as we do; they give tickets; to many of those men we frequently give employment; they are men selected by a gentleman of the name of Nuttal, and we find some of them very useful men.

2543. What is the reason the merchants prefer the management of indigo being in the hands of the East India Company?—That arose from an established practice which led people to entertain a prejudice in favour of the East India Company's sales; no attempt has been made to afford similar accommodation to the merchants till recently; and as the agency houses in London used to wish to be relieved as much as possible from all trouble and responsibility, they could not adopt a better course to be relieved from all trouble, than by placing the goods in the hands of the East India Company for management, at a per centage; whereas if the goods are sold by a broker, or by any other public company, it would require more trouble on their part than is now required, for they consider themselves absolved from all blame or responsibility by having placed their goods in the hands of the East India Company; but by degrees parties begin to think that other periodical sales, conducted upon the same principles, would be also attended by buyers from the Continent, in the same manner as they have hitherto frequented the sales of the East India Company; the charm has been chiefly maintained, from the periods at which the sales are fixed, which produce great competition; but I have no doubt that as the expense would be so much less in having them passed through the hands of the St. Katharine's Dock Company, if so sold by public auction, instead of through the East India Company, that by degrees it would have the effect either of

compelling the East India Company to reduce their charge, or of the proprietors of goods placing them in the hands of others to sell.

2544. Have you made any calculation what your profit would be by charging two-thirds what the East India Company charge?—I have, on some articles.

2545. Have you on cotton?—I am satisfied on East India cotton we could do the business at less than the East India Company. That trade is valuable to us in giving us our connection, and combining with the rates our warehouse rent, giving us the advantage sometimes of receiving rent, although the goods may be delivered or transferred the following week.

2546. You think you could do it at two-thirds on all goods?—Not on all, at the depressed prices at which some goods are now.

2547. Take the article of sugar?—Sugar is at a depressed price, and of saltpetre I should say the same.

2548. Do you think you could do them cheaper than the Company do at the present moment?—Saltpetre I think we could, and cotton also, and still have a profit. That the rates of the Dock Company are less is clear, from the sale of cotton diverting from the East India Company; as I said before, very little cotton, or hardly any, is now sold at the East India Company's sales, neither saltpetre nor sugar, and the same with drugs; the principal drug sales are now carried on chiefly at Garraway's Coffee-house. The East India Company's charges are heavy, particularly on silk goods; but there is great skill requisite in the management of East India goods, but I apprehend such preparation and skill may be acquired by other parties. Alterations are also from time to time made by the Legislature with a view to facilitate the collection of the revenue. The duty on articles mixed of silk, hair or cotton, has been hitherto ascertained by the sale prices of the East India Company, so that the goods have of necessity been deposited in the East India Company's warehouses for sale. By the Act passed a few days ago, that restriction has been repealed; the duty will be taken in future upon those goods the same as upon all other goods, by which the merchant will be at liberty to house his goods in any warehouses of special security the Commissioners of Customs may approve of.

2549. Does it not require more nicety in managing valuable goods than the inferior?—Certainly.

2550. And the Company charge more on valuable goods than on others?—Certainly; and the St. Katharine's Dock Company regulate their rates in some instances, and to a certain extent also by the skill required in the separation, assortment and repacking and other operations, and always forms a component part of our rate. After taking the expense of labour, and next the cost of material, and adding a reasonable profit upon those items of outlay, we next take into consideration a further remuneration in consideration of the risk and skill.

2551. You state that the Liverpool merchants send their goods to London to be sold at the East India Company's sales, do you know that to be the case?—Yes, they have come up by land carriage; in fact, I have known of indigo coming up in that way.

2552. Are you aware that some of the St. Katharine's Dock Directors write to their correspondents in India to desire that the ships may be consigned to the St. Katharine's Docks?—Certainly.

2553. And this the East India Company is supposed to have done in regard to the East India Docks?—The case is not quite parallel. When a ship has been compelled to go into the East India Docks by the East India Company, it has been where the ship has wanted dead weight, and they have given them a little saltpetre or sugar to stiffen, and have thus controlled the place of discharge, a most inconvenient one for the remainder of the cargo; whereas in the other case, when the ship has been desired to go into the St. Katharine's Dock, it was where the parties were the chief consignees of the cargo, and desired to have their goods warehoused in a suitable and convenient place.

2554. Have the St. Katharine's Docks taken goods from the East India Docks?—Certainly: the merchant now requires his goods at the place most proximate to the seat of business; and it has excited some surprise that goods from the St. Katharine's Docks have been lightered down to the East India Docks, thus taking them down the River four miles, and away from the convenient means of inspection.

2555. Is not the East India Dock as convenient for export?—Certainly not; there must be an additional expense of land carriage or lighterage of the goods coming from above bridge or the metropolis; manufactured goods would be principally sent by land carriage.

2556. Has

2556. Has the St. Katharine's Docks sufficient water to allow ships to take their outward cargoes on board?—Our water-room, as compared with other docks, is certainly contracted; but we have never been obliged to refuse a ship the convenience of loading out.

2557. Have you never been obliged to decline receiving vessels on the ground of want of water-room, and has not inconvenience been sustained in consequence?—We have never done so.

2558. It has been so reported?—Infant establishments are exposed to such friendly representations, they are not warranted by facts.

2559. Is there water sufficient to allow you to load out all the ships that could discharge in your dock?—Our water-room is more than sufficient for the accommodation of shipping, as compared with our warehouse room. We have accommodation in warehouses, &c. for about 115,000 tons of goods, and our water-room is fully sufficient, both for imports and exports; we have had a hundred ships in dock at the same time, some of them were very large ships; a short time back a ship of 869 tons register loaded out in the dock.

2560. Can you explain the reason why the East India ships never load in your dock?—Some do; but they require a great deal of room for the purpose of loading, they like to have a quay berth, which we have not the means of giving to every ship. Captains of East India ships prefer, if they cannot have a quay berth, to remove lower down the river; but wherever we have been able to give them a quay berth, in most instances that I remember, they have remained. The extent of our quay-room is about 5,600 superficial feet, which gives an opportunity of loading and discharging about 60 ships at once.

2561. Do not some of them lie bow on?—None of them bow on when busily loading; there are two portions of the export quays where the ships lie bow on, but they do not generally load in that position, but merely wait for their turns, but in the other parts of the dock we load them broadside to. I do not disguise that it would be an advantage to us to have more water-room, but we have not been obliged to refuse outward accommodation to any vessel that had entered with a cargo.

2562. In case of the China trade being thrown open and the tea trade confined to ports having bonded warehouses and docks, do you think the revenue on tea would be subject to any insecurity?—None whatever; I am satisfied that the St. Katharine's Dock Company could collect the revenue upon every article deposited in the Docks for the Crown, at a very great saving of expense.

2563. How would you collect the duty on tea?—We would collect the duty on tea in the same way as I would propose on every other article. Tea would be weighed on landing, the East India Company now weigh when most convenient to them previous to sale; the chest would be emptied and tared, unless a fixed tare were agreed upon, we should then get at the net weight of the tea, and the quality being valued on which the duty would be payable, provided the duty were taken on the landing weight, which would be inserted in the books of the Dock Company. If it remained any length of time, I presume an allowance would be made of one or two per cent. per annum for natural wastage; at present, however, a liberal disposition prevails with the Government as relates to the mode of collecting of duties. The duty on tobacco, spirits, pepper, coffee and sugar, is now taken on the quantity delivered from warehouse, formerly, except tobacco, it was taken on the quantity ascertained at the time of landing.

2564. Would there be any difficulty, if the duty on tea is an *ad valorem* duty, in the St. Katharine's or any other Dock Company making the sales by auction, and collecting the duty *ad valorem*?—None whatever that I am aware of; we could adopt the same regulations as those of the East India Company.

2565. What is your proposition, that you should sell the whole teas and pay the Government the duty, or that you should, as you state in the first instance, merely find out the weight they pay upon?—The teas would remain in deposit a limited time for the security of duty, if the proprietor of the tea would not permit the Dock Company to sell at once.

2566. Tea is of all qualities; every chest is looked at, and every chest has its value put upon it; it is sold according to the value; then how would you get at the duty, in reference to the value and the quality?—Unless we were permitted to sell, the Dock Company would not have the same correct means of ascertaining the value; but if the tea were deposited with the Dock Company, under the management of the East India Company for sale, they would still have the same means

of ascertaining the value as if the Dock Company had sold, and were responsible for the duty.

2567. Would the restriction of the tea being sold at particular places in the way you mention, be a serious restriction on trade?—I conceive not; I think it would be a relief to trade; for instead of placing that branch of it under the sole direction of one public company, the proprietor would not be under the necessity of placing his goods in the hands of the East India Company alone, but would select such warehouse and management as would suit his views and interests best.

2568. Do you think the St. Katharine's Dock Company or any other would have any difficulty in finding warehousemen able to judge of the qualities of tea, and make the assortment as the warehousemen of the East India Company do?—I should conceive that competent persons might be found for the performance of that operation as well as any other; we have had some difficulties to struggle with in that respect in our infant establishment during its earliest progress, but by industry and proper encouragement we have succeeded in obtaining persons of competent skill for every purpose hitherto required.

2569. If the tea is to be sold, every individual having his own tea, may not persons collude together to get it as cheap as possible, that the duties to the Government may be smaller; and in the second place, if the individual wishes his tea without its having been sold, should he be allowed to take it out of dock without its having been sold?—I apprehend the same rule would apply with respect to tea which applies to other goods placed under the management of the East India Company, not *bonâ fide* sold by them, subject to an *ad valorem* duty; goods so put up, but not sold, the revenue officers might value for duty instead of the servants of the East India Company, or the servants of the Dock Company, and ascertain the duty upon them the same as they now do upon other articles. The officers of the revenue would not leave this to the East India Company or Dock Company to ascertain, but inspect to ascertain the value, and if they did not find that the sum at which the party proposed to pay the duty was the fair value, they would seize it, and give him the ten per cent. over and above his valuation.

2570. You are aware that the Company cannot avoid selling?—But that is under a special arrangement with the Crown.

2571. If it were thought necessary that any tea should be delivered out for consumption without undergoing the sale, might it not be equally the rule in future, the tea trade being thrown open?—In that case the Dock Company would also have the power to sell, and thus establish a value by public auction, if the duty were to be continued to be ascertained as at present.

2572. Have you any doubt that if the tea trade were thrown open, the Dock warehouses presenting every facility and security thus far, an arrangement would be made on the most convenient plan for conducting it?—The public establishments such as I have the honour to be connected with, would immediately turn their attention to the construction of fit and proper warehouses, with proper light and convenience, in like manner as facilities have been given to the indigo trade. New branches of trade must be met by improved arrangements and accommodations.

Luncæ, 16^{te} die Julii, 1832.

THOMAS HYDE VILLIERS, ESQ., IN THE CHAIR.

Dr. Bowring, called in; and Examined.

Dr. Bowring.

16 July 1832.

2573. HAS your attention been lately called to the cultivation of silk?—I have been lately occupied in France as a Commercial Commissioner; and the production, the export and import both of raw and manufactured silks, have necessarily come very much under my observation.

2574. Does France, in your opinion, possess any peculiar qualities?—I think within the last 20 or 30 years a greater progress has been made in the improvement of the raw material in France than perhaps in any other country in the world. In fact, that improvement has gone on so rapidly, that the export of French silk has been successfully resisted by the manufacturers, on the ground of their possessing a monopoly of a quality superior to any produced elsewhere: they have generally improved the character of their silk; in several districts, the silk brought to market obtains

obtains from 20 to 30 sous more than the average value of the silks of Italy of the same fineness; and as evidence of the capabilities of still farther improvement, a small quantity is produced of such superior excellence, that it sells at from 100 to 120 per cent. above the value of the best Italian silk. That has been in consequence of the introduction of a new worm from China; and that silk which is now used for the manufacture of the finest blond, sells at as high a price as 100 francs per kilogramme.

2575. A common Italian silk selling at what?—A common Italian silk selling at, I should think, 18s. a pound.

2576. When was this improvement introduced, and from whence?—This particular worm, which has caused a good deal of interest, is called in French the Sena or Nanquin worm. Its production has not been very much extended; but the production of the second quality of silk, which is exceedingly beautiful and superior to anything produced elsewhere, has been extended so much, that one district (the Cevennes,) produces 400,000 pounds per annum.

2577. Is it white or yellow silk?—Both white and yellow. But the most costly and beautiful is white silk.

2578. In what does the superior quality of the silks consist?—In the fineness and regularity of the thread, the clearness of the colour, and the tenacity and elasticity with reference to its size.

2579. What is their value as compared with other raw silks?—I should think the value of Cevennes silk may be taken on an average at from 5 to 10 per cent. above the best Italian silk of the same quantity of deniers.

2580. What is the species of mulberry usually cultivated in France?—Of late the *Morus Alba*, or white mulberry, has taken possession of the field. There have been a very great many discussions in France as to the different qualities of mulberry-trees, but I observed lately, in passing through the silk district, that the white mulberry-tree had clearly the pre-eminence over all the others.

2581. What is the silk district in France?—The two sides of the Rhone; from Lyons to the south is the principal district. There are 13 departments of France that produce silk.

2582. What is the northernmost?—I doubt very much whether it is produced much to the north of Lyons; probably a small quantity only.

2583. What is the cause of preference to the white mulberry?—Its growth is more rapid, its produce in the same number of years is more abundant; the texture of its leaves is more delicate, and it suffers cold with less prejudice.

2584. What is the mode of cultivation; what is the state of the tree?—They are all called standard trees.

2585. What is the height of the stem generally?—The average height of the stem, I should think, is three to five feet. One particular motive, in a country like France, for the cultivation of the white mulberry is, that it produces leaves as early as April and May.

2586. Is not the black mulberry cultivated at all?—The black mulberry is also cultivated: its growth is more tardy, its leaves are stronger and larger, it lives longer, and it is less affected by change; it is the common mulberry which is seen in England, and a fruit-producing tree.

2587. Do they cut the trees annually?—No, the leaves are gathered from the stems.

2588. Is it pruned so as to shoot out young wood?—Pruning is very necessary. There is a very curious fact respecting the mulberry-tree: it is known that it is the only tree that the common silkworm will feed on, though there are some herbaceous plants which that animal will eat; but there are, I think, seven or eight species of the *morus*. And it would seem, from all the facts I have been able to gather, that one species or other will flourish in almost any soil, so that if other circumstances are friendly to the silkworm, its food may be obtained in a great variety of places, there being few countries, whatever be their climate, in which some mulberry-tree or other will not grow.

2589. Have attempts been made in France to introduce any other species?—Yes, there have; but not on a large scale. There is a belief, but I do not think the experiment has been fairly tried, that the Tartar mulberry-tree would be very likely to be useful; all that is known of it is, that it is an indigenous tree in Tartary, where silkworms feed on it, and whence a few specimens have found their way to different botanical gardens.

2590. Are there any here?—I am not sure whether there are, here; but persons

who speak of it say, that it is a leaf that is devoured by the worms with very great avidity. And the morus indeed has also been an object of some attention of late, that is a Chinese dwarf mulberry-tree, which I believe seldom grows above the height of between six and seven feet; that is the tree which I understand is most widely spread in China, or, at all events, the tree which gives food to their superior worms. There is a growing opinion, and Dandolo, who is perhaps the first authority on the subject, concurs in the opinion, that something better might be done than has hitherto been effected, by introducing at different periods of the age of the worm the produce of the different species of trees: for example, that the white mulberry-tree, which is earliest and tenderest, would best suit the worm in its early stages of existence; as it grows stronger and larger, the black mulberry, which is of coarser and firmer texture, might be advantageously used. It is indeed to be wondered at that so few experiments have been made with reference to the cultivation of the silkworm on a great scale, and by intelligent persons. In Europe, as in India, it is almost wholly in the hands of the peasantry, and it is only of late that any considerable attention has been paid to the subject.

2591. What do you consider to be the best period of growth of the mulberry?—The white mulberry leaves are plucked when the tree is five years old, though it will afford leaves fit for use when it is past four, and then it will go on I should think improving perhaps for 10 years longer.

2592. Is the tree improved by grafting?—The contrary would seem established by observation. Grafting is generally employed, but some curious results have been mentioned as to the effect of the leaves of the grafted tree on the growth of the worm, and on the production of the silk. I have copied these results from some documents I hold. In an experiment made on grafted trees, it required 20 pounds and three quarters of mulberry leaves to produce 25 ounces of silk. White leaves grown of seedling trees, 15 pounds produced the same quantity. So that there appears to be a difference of 25 per cent. in the result in favour of the ungrafted tree.

2593. What is the authority?—Dandolo, who is the best authority. He also states he made other experiments, and that of 7 pounds and 13 ounces of cocoons of the grafted tree he only obtained 12 ounces of silk, while from precisely the same quantity from the indigenous tree he obtained 14 ounces. They are facts very well worth being examined on a large scale. Pitarro, who has also treated upon the question, if I do not misrecollect, says, that there is another consequence of grafting; that the grafted shoot will not live longer than the parent tree. That is a fact respecting which there may be some doubt. The power of production by grafting is so much more rapid, that it is clear that men would employ it solely with reference to economy.

2594. How are the trees cultivated in France?—The cultivation of the mulberry-tree now is become a primary consideration on the part of land proprietors, which has only been the case of late years. Almost the whole of the production of the silkworm was till lately in the hands of inferior peasantry, who had no capital; but within the last 15 years especially, much capital has been employed in the production of the mulberry-tree; the landowners have found it very well worth their while to cultivate the mulberry-tree on a large scale, and to sell the leaves to the peasants who devote their attention to the rearing of the worm. The price, from the demand for leaves this year, was very considerably increased. I was at Nismes about six weeks ago, which is one of the central points, and I found the value of the leaf increased as much as 20 per cent. this year, four francs and four francs and a half per cwt. having been paid, while three francs was last year's average.

2595. So that it is found to be a profitable investment?—No doubt; it gives from 15 to 25 per cent., and I have observed that almost every class of persons have prospered who has been attending to this branch of agricultural industry, whether the nurseryman who has produced the seedling trees, and who sells them for transplantation to the farmer, or the farmer who has been cultivating the mulberry to sell the leaves to the peasant, or the farmer who has cultivated the leaves to rear the silkworms himself.

2596. How many crops are gathered in a year?—Only one in France.

2597. Is any particular care required in gathering the leaves or giving them to the worm?—Yes, in that respect too there has been a great improvement: it has been discovered that damp, so far from being beneficial is pernicious; and now whenever the leaves are more than merely damp, in fact, when there is any water on them, either from dew or rain, they are either subjected to a current of air, or to an

an elevated temperature. They do not now give humid leaves to the worm, inasmuch as they find it injures the worm and deteriorates the quality of the silk.

2598. Do they keep the leaf any time before they give it to the worm?—No, the leaf should be fresh, but it should be exposed to a current of air; the best way is to throw them in a blanket and to allow the fresh air to pass among them.

2599. Is there any difference in the situation in which the tree grows that influences the quality of the leaf, a high or a low situation?—A rich soil is not very friendly to the mulberry-trees, but they do very well either in sandy or gravelly soil; but I suspect, as I mentioned before, that there are very few soils in which some or other class of mulberry-tree might not be found to flourish probably by a different mode of culture.

2600. Has the dry or damp situation of the soil on which the tree grows, any influence on the nutritious quality of it?—A damp soil is unfriendly to the white mulberry.

2601. Is it generally considered that the bad effects of a damp soil may be remedied by artificial means?—I should think they might. What is occurring in France at this moment, namely, the investment of capital in the production of the mulberry-tree, and in what is called the education of the silkworm, will lead to experiments of a more extensive, judicious and scientific character than have hitherto been made. It appears to me extraordinary, that at this moment the cultivation of silk should have had so small a portion of that attention which has been directed to the growth of cotton or wool.

2602. To what do you attribute the superior production of the mountainous parts of France, as compared with the plains?—On the whole, I should think a mountainous soil would be more favourable to the production of the mulberry-tree; most of the countries in which it is indigenous have a good deal of mountain in them, and it would seem to have a preference for the higher lands.

2603. Have you attended at all to the general history of the silkworm?—I have read everything I have been able to get at with reference to it; and, as I said before, I think that there is no raw material, the history of which requires more to be studied, and for which less has been done till of very late years. In Europe there are only two very distinct classes of worms.

2604. Are there any species unknown which you think deserving of particular inquiries?—Yes, the Chinese manufacture a very considerable quantity of silk from a worm that is said to feed on a species of oak, and that does not form cocoons, but throws out its thread from the branches of the trees.

2605. From what authority is that?—It is mentioned by several authors, who state the animal is of the *Bombyx* genus, and that the Chinese collect a considerable quantity of these threads; that they are stout and strong. Cuvier also speaks of it; he has also given an account of the Madagascar silkworm, which he calls the *Bombyx Persola*, and he says that its cocoons are three feet high. I have not heard of any attempts to introduce this species, which is indigenous in some tropical climates. I should think it well worth inquiry.

2606. What do you find stated there about it?—Cuvier states the fact of its existence, and he gives a short account of it.

2607. What is it he gives an account of?—Of this large *Bombyx*.

2608. In what work?—In his '*Regne Animal*,' I take for granted.

2609. What is the species of worm produced in France?—The one that is principally produced is one known by shedding its coat four times; there are two principal classes.

2610. What is the name of that one?—The *Bombyx Mori*. I was stating that there are two principal classes; the worm that sheds its coat four times, and the worm that casts its coat thrice.

2611. Those are the two species produced in France?—Those are the two species. Dandolo, I should state, is so strongly convinced of the superiority of that which is not the common worm, that he takes as a motto to his own book, "If I had anything to do with the reeling or the winding of silk, I would produce nothing but the worms which change their coat thrice, and those of the white cocoon." They are very common in Lombardy; these are the worms that he considers superior.

2612. Is that the *Sina*?—No, that is another species; the *Sina* is a four-coat changing worm. The three-coat changing worms are considerably smaller.

2613. Which are?—Those that change most seldom. Their existence is four days less, so that there is a diminution of four days' risk; which, considering the

many diseases to which they are exposed in these climates, is an important consideration ; it is a difference of 12 per cent.

2614. Are those the original worms ?—No, they are not ; the four-coated worms are the original worms of European growth.

2615. Is the race considered susceptible of improvement ?—There is no doubt at all, if the race of silkworms were treated as the race of horses is, that it would be susceptible of very great improvement. I think all the facts which have been gathered together in the course of the last 30 or 40 years, for till then the subject was surrounded by the darkness of ignorance, are evidence that much may be done.

2616. What species do you think would be best ?—I hardly feel competent to give an opinion ; the opinions of writers and cultivators are so much more valuable than that of a mere looker on. I should think the Cevennes cultivation, is, on the whole, the most advanced ; it has to my knowledge given the largest returns for capital, and has produced a far more beautiful silk.

2617. Does it not require different sorts of silk for the various manufactures, the same as cotton ?—Clearly.

2618. So that you must have the various worms ?—Certainly : but of course he who produces the worm which is the least expense, and that gives the greatest quantity of the most beautiful silk, must be the most successful adventurer.

2619. What is the temperature applied to the eggs for the production of the worm ?—The French generally apply an increasing temperature during 10 days.

2620. Is that for hatching ?—That is for hatching ; they begin at 14 degrees of Reaumur, and they add every day a degree till they reach the temperature of 22.

2621. Is that by steam heat ?—It does not matter what sort of heat ; sometimes steam, sometimes oven heat.

2622. What month do they begin to hatch ?—They begin to hatch at the end of April or the beginning of May ; something of course there depends on climate too. When it reaches 22, it is left at that temperature, and generally on the third day of the application of the temperature of 22 the worm appears.

2623. How often are they fed in the day ?—They are fed by the best managers four times a day.

2624. What will be the average produce of an ounce of eggs ?—An ounce of eggs I should think would produce on an average from 35,000 to 40,000 worms ; I have taken here, however, (and that may be interesting as points of comparison,) the produce of eggs of different classes. Dandolo says that an ounce of eggs of the largest size, of the four-coated worm, would produce 37,440 worms, and that if they had all lived, they would give 373 pounds of cocoons ; if the eggs were not sorted, and were of the common size, he says an ounce of eggs will give 39,168 worms, and these would give 162 pounds of cocoons : of the three-coated worm, he says an ounce of eggs will give 42,200 worms, and will produce 105 pounds of cocoons. I ought to mention, with reference to all these weights, that they are Lombardy weights, and it is very easy to compare them.

2625. How long does the worm live after hatching ?—From 35 to 37 days ; the three-coated worm lives four days less.

2626. Depending on temperature ?—Somewhat depending on temperature.

2627. Can you state, at the different periods of its age, what is the weight of leaves per day that any given number of worms devour ?—Yes.

2628. Of course much larger as it grows ?—Yes, and the increase is extraordinary ; for the worm in the course of its existence is increased about 30,000 times its own original weight.

2629. What, you mean, from the egg probably ?—From the egg, yes. The works that describe the education, as it is called, of the silkworm, give the history of every day's consumption in great detail ; they also give the state of the barometer, the thermometer and the hydrometer, and every thing connected with the daily changes.

2630. During the few first days, what is the quantity of leaves an ounce of eggs would consume ?—The better way would be to take five ounces of eggs. Now here is a table which states, that before they shed their first skin, they consume 30 pounds of mulberry-leaves ; their second, 83 ; their third, 324 ; their fourth, 939 ; and their fifth, 5,730.

2631. Is there the interval of days between ?—Yes, the interval of days is stated here.

2632. Well

2632. Well then, up to the time of shedding the first skin, what is the number of days?—The number of days is six.

2633. The second is what?—Is six.

2634. The third?—The third seven.

2635. And the fourth?—The fourth seven, and the last is seven to ten; there will be a difference of a few days.

2636. Then the 5,730 is up to the time of their mounting?—Up to the time of their mounting the branches to spin their cocoons.

2637. Now what quantity of leaves will they consume?—I have taken from several authorities the return of consumption. Bonafons states, that an ounce of eggs in France, producing about 38,000 worms, would consume 1,600 pounds of leaves, to which must be added 300 pounds for waste, moisture and stems, and so forth, so that he gives 1,900 pounds net as the consumption; that is the whole gross consumption.

2638. From first to last?—Yes. Dandolo gives 7,100 for five ounces of eggs. Now there is also a return from Naples, in which they say that an ounce of eggs will consume 1,000 pounds of leaves, and give 86 pounds of cocoons. There are a great many experiments made as to the power of increasing the production of silk by extra feeding; and there is a case also given by Dandolo, in which he says that he obtained from 110 to 120 pounds of cocoons from 1,650 pounds of leaves; and that where only 1,050 pounds of leaves had been consumed by the same number of worms he only obtained from 55 to 60 pounds.

2639. What quantity of silk will those cocoons produce?—Pitarro says, that in North Italy ten pounds of cocoons would give him one pound of silk.

2640. One-tenth?—Yes; then in South Italy fourteen pounds of cocoons would give fourteen and a half ounces of silk; and he estimates, that in France generally it would require eighteen pounds of cocoons to give one pound of silk. I think, however, that this is less than the fair estimate, from the facts I have been able to gather, and that they would on an average get a pound of silk from twelve pounds of cocoons. A great deal of course, however, depends on the care of the reeling and of the quantity of waste that is sacrificed.

2641. Is there any considerable difference in all these particulars which you have now been giving, between France and Italy?—There is a good deal of difference; it is much more easy to get facts from Italy than it is from France; for the two great authorities are Italian writers, and the French have almost wholly received their instruction from Italy on the cultivation of the silkworm.

2642. Is the species of worm the same?—Yes; that is, in both France and Italy there are those two classes, the three and the four-coated; the four-coated being the ordinary one. Here are Dandolo's returns, which may be compared with Pitarro's: he says, in North Italy twenty-four pounds of leaves give one pound of cocoons. Now Pitarro in North Italy obtained a pound of cocoons from twelve pounds of leaves; Dandolo, in South Italy, had obtained a pound from ten pounds of leaves. Pitarro says that he had obtained from seventeen to eighteen ounces from fifteen pounds of leaves. All these facts show that the results are extremely different, and how much remains to be done notwithstanding the attention that has been paid to it.

2643. Has any improvement been introduced in the management of the worm?—Yes, very considerable. Nothing can have been more barbarous than the management of the silkworm a few years ago; a great number constantly died; they ascertained some of the great causes of disease among the worms; that damp, for example, is very pernicious.

2644. And confined air?—That noisome smells of all sorts; that the neighbourhood, for instance, of dunghills; that the worm, in fact, has organs of considerable sensibility; that the introduction of dust in the neighbourhood of roads is very pernicious. The consequence has been, that chemical science has removed a great many of the impediments to their improvement, and a great deal is done now by the peasants to circulate free air and to remove the infected air.

2645. How is the temperature regulated?—I also would mention, that chlorides are used to disinfect the atmosphere, since they have become cheap.

2646. Do you mean that the worm can feed with the presence of chloride of lime in the room?—Yes; that the chloride of lime will of course drive out a more pernicious presence than its own; and the chloride of lime is very frequently now used in the houses where the silkworms are being educated.

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2647. Is that the only medicant that is used during disease?—Every species of disinfection. By the way, the smoking of tobacco is very unfavourable, but fumigation is generally very friendly.

2648. Do they bear the burning of sulphur?—No, hardly. When the worm is first born it is found that the temperature which best suits them is 19 degrees of Reaumur, and that this temperature should gradually diminish, and 15 is considered the most healthy temperature for the worm when it proceeds to spin its cocoon.

2649. How is it regulated?—It is regulated of course by thermometers. The peasantry have the power of regulating it by stoves, or by ventilation; it is not a very considerable variation from 15 to 19.

2650. Is it material whether they are kept in-doors or out-doors?—In-doors, certainly. I should mention that one of the great improvements is the introduction of light, for formerly the rooms were exceedingly dark.

2651. Does that contribute to health?—Very much indeed to health and enjoyment and activity, and that is of some importance; when the moth appears the rooms should be darkened, inasmuch as the moth is a night insect.

2652. May there be too much light; a greenhouse for instance, or a hothouse?—It is not usual to introduce an excess. The silkworm enjoys the light, but the moth dislikes it very much, and suffers from it; in fact, as I said before, the moth is a night insect, so that care should be taken, while light is not excluded from the worm, that it is not admitted to the moth when it is past the chrysalis state.

2653. What is the temperature applied to the eggs of the worm?—It should be from 16 to 18 degrees.

2654. Of Reaumur?—Yes.

2655. What is that corresponding to, do you know?—I have not the grade here.

2656. How are the cocoons selected for the future breed of worms?—Those that are the most perfect in form, with the finest quality of silk, and of the middle size. One of the tests of the excellence of the chrysalis is the hardness of the ends. Those cocoons are laid out separately, and the estimate is that 14 ounces of cocoons will give an ounce of eggs.

2657. What is the amount of silk produced in France?—The amount of silk, according to the best estimate, is about 3,000,000 English pounds.

2658. What is the average selling price of that?—The average selling price I think we have estimated at about 17 s. or 18 s. per lb.

2659. What is the amount of silk imported?—It is about 1,000,000 lbs. France produces about three-fourths of her consumption, and supplies herself with about one-fourth from other countries.

2660. Does the raw silk of India find its way to their markets?—From the experiments that have been made, the raw silk of India certainly has not succeeded in France. I heard an opinion expressed on the part of the throwsters, that being unused to that particular quality of silk, their labourers have not succeeded in throwing it, and the experiment has scarcely been repeated. I should say, however, that at Lyons there is great anxiety on the subject, and I promised the Chamber of Commerce I would take an early occasion of having communication with the East India Company on the subject of the East India silk. They are exceedingly desirous, inasmuch as some great changes in their legislation with respect to silk are now in progress; they are exceedingly desirous of knowing something more of the production of India, and of the way in which the production of India is likely to bear on their manufacture.

2661. But you have not at present any particular reason for supposing that India silk will come into demand?—I think it very likely it will come into demand in France, but I also think that knowledge is wanting in France; that the failure of experiments made has rather deterred adventurers from coming into this market; there was one very large importation took place into Lyons of oriental silk, and it left great loss. Now, the reason why the French silk merchants know so little of our markets is, that the export of raw and thrown French silk is prohibited; the consequence is, that there is much less knowledge of the state of the markets here than would be supposed. When the exportation of French silk shall be recognized by law, the promise having been obtained by our commission that the French government will consent to its export, there is no doubt at all that considerable trade will take place between France and England in oriental silk; that is, the French dealers in silk would buy in this market, and I am persuaded would find very frequent occasion. They consider that the English silk manufacturer has a tremendous

tremendous advantage over them, in consequence of the very large market which they have for the purchase of oriental silk.

2662. Has there been any direct importation into France from India or China?—It has been very small; I have copied it from their official returns. They imported from British India, in 1826, 1,227 kilogrammes; in 1827, 23 kilogrammes; in 1828, nothing; in 1829, 2,811 kilogrammes; in 1830, none; in 1831, 435 kilogrammes. From China they imported nothing in 1826; they imported 2,119 kilogrammes in 1829, 140 kilogrammes in 1828, 8,234 kilogrammes in 1829, and 6,146 kilogrammes in 1831.

2663. That is India, is it?—The last is China.

2664. What, is the import of foreign silk into France subject to a heavy duty?—Yes, it is subject to a duty; the raw silk pays 1 franc and 20 centimes duty per kilogramme, and thrown silk 2 francs and 40 centimes, and there is a decimo to be added.

2665. On all foreign silk indiscriminately?—Yes.

2666. Can you explain the cause of the fluctuations in the returns which you have just now stated?—Almost all; and I take it that the very unimportant character of French importation depends on their prohibitory system; it is quite impossible that a country can have a large foreign trade that is in the situation in which France is.

2667. Do you consider these importations, then, to have been merely experimental?—Yes; these I take to be merely experimental, for no fact can be gathered out of them, no increase or decrease; it is not characteristic of any influence on the market.

2668. Is there any difference in the quantity of raw silk on the silk manufacture of France, in consequence of the duty to which foreign silk is subject?—None at all; the French manufacturer has the choice of all the silk that comes to England from Italy, as it passes through France; it is deposited in bonding warehouses at Lyons; it is only of late years that they altered their transit system.

2669. Practically, is that a matter of advantage?—Not of the advantage supposed, because inasmuch as their legislation prevents a merchant who has bought silk and taken it out of the bonding warehouse from exporting it, he has great hesitation in doing so; independently of which, there is a system of buying and selling, which I had the honour of explaining to the Silk Committee, which is of very great importance. The silk when bought in France is generally subjected to a sort of public test to ascertain its humidity; silk invariably imbibes a certain humidity, and in France, before silks are received by the buyer they are sent to a public establishment, where they are submitted to a certain temperature for 24 hours; if their loss is more than from $2\frac{1}{2}$ to 3 per cent. they are still continued in that temperature, so that these experiments are made on the whole mass of silk, in order that no fraudulent humidity may be introduced, and there is a reduction in proportion to the loss. They are sold on the certificate of this establishment, which is called the *condition* that the weight is so and so.

2670. And it is all registered, is it not?—All that passes through the condition. Now the disadvantage of the French silk merchant is this; he can only sell subject to examination of the condition, and of course he will only buy subject to examination of the condition. Now if he takes it out of bond, or sends it to the examination of the condition to have its humidity ascertained, whether it is the natural humidity or a fraudulent and artificial humidity, he has not the power of divesting himself of this silk for exportation, exportation being prohibited; so though he gets a certain advantage out of the monopoly he possesses of French silk, he has also considerable disadvantage from the circumstance of his hands being tied if he should be an adventurer in foreign silk; for if after all it do not suit the French silk market, and he is not able to get a sale for it, export it he cannot.

2671. How is silk generally reeled in France?—It is generally reeled by the peasants, and the reeling is certainly in a backward state. I think that the removal of the prohibition on the export of silk will bring a capital into that particular department; and in fact I know that there is disposition to invest money in it, and that this circumstance will lead to great improvement. The reeling is so backward that the Chamber of Commerce not long ago applied to the government for the introduction of penal legislation to force the reelers to reel in a particular way, for they had no sort of security; however, the government had intelligence enough to say they must take care of their own concerns.

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16 July 1832.

2672. Is it supposed that they will allow the export free of export duty?—Not wholly free, but with a small duty.

2673. Then at present much capital, you suppose, is not invested in the reeling?—No, not much. I should mention, that it appears to me there are two steps of silk production in which capital may be very advantageously invested, and that it is of all the productions that in which the poor peasant's interest may be best associated with the interest of the capitalist. It is clear the capitalist can very advantageously employ his money in the production of the mulberry-tree, as it requires an outlay of capital which a poor peasant does not possess, so that the capitalist may very advantageously employ himself. The harvest of the peasant comes on, in six weeks his business is done; it is the most rapid of productions, so that of course very little capital is required for the mere purchase of the leaf, for which he might get an immediate return at the end of six weeks, when his business is over; and therefore it seems to me that even in that particular point again the capitalist would come with great advantage into the market as the gatherer of cocoons, because in reeling too, capital may safely and advantageously be invested.

2674. Are there not capitalists who do reel?—Yes, there are some, and their number is increasing constantly in France, and of course the natural tendency of a division of labour is to set all these matters straight. Of late the capitalist has seen to how much benefit he can invest his capital in the mulberry-tree, and which is now done to a great extent.

2675. By what period is the growth of the cocoons generally complete in France?—In from six to seven weeks the cocoons are produced.

2676. Is that by the middle of July, or earlier?—Earlier; the end of June.

2677. What is the temperature to which the cocoons are exposed in order to kill the chrysalis?—The silk is not much bettered by a high temperature, and I do not imagine that any higher heat is required than that which suffices to kill the grub.

2678. Is there any duty on mulberry-trees in France, as there is in Italy?—No; gentlemen know what an enormous proportion of the whole revenue of France is raised from the land-tax, and of course the mulberry-trees are rated in that way.

2679. Is there not a very large increased investment of capital in the production of mulberry-trees and silk in Europe within the last few years?—Certainly; and the very remarkable decrease in the value of silk is the best evidence of it.

2680. And may not, from the increasing capital, a further diminution in price take place?—Infallibly; the profits in the production of silk are very much above the average profits at this moment. I ought to have said, when speaking of the destruction of the chrysalis, that it is sometimes destroyed by dry heat and sometimes by hot vapour, and the combustible employed is generally vegetable charcoal.

2681. Is all the machinery given there? [*pointing to a Book.*—All the machinery is given here; the whole of the progress is here developed. This is Pitarro's work.

2682. Will you state who are the best writers on the cultivation of the mulberry-tree and the treatment of the silkworm?—Among the Italians, Dandolo, Pitarro and Fontana; and among the French, Bonafons and Castellar. Bonafons' is a very nice little book, and there are a great number of others. Chaptal is a high authority, I observe, and he is president of the Society for the Encouragement of National Industry in France; and De Chaptal is also a very well known man of science; he gave Bonafons a certificate that his book is decidedly the best French book on the cultivation of the silkworm. It perhaps might not be amiss to add to those details as to the consumption of leaves, those which Bonafons gives; they may as well, perhaps, be received with the others.

2683. Are there any details of the progress of the silkworm in France?—There are; here is a Table of them.

[*The same was read, as follows:*]

TABLE of the Progress of the WORMS hatched from an Ounce of Eggs, from Birth to the time of Spinning.

Dr. Bouring.
16 July 1832.

A G E S.	Space occupied by the Worms on the Trellices.	Temperature, Reaumur's Scale.	Quantity of Leaves consumed in each Day.		Total Quantity of Leaves consumed in each Age.
			lbs.	oz.	
1st Age -	9 6	19	0	14	7 0
			1	6	
			3	0	
			1	6	
			0	6	
2d Age -	19 0	18 to 19	4	8	21 0
			6	12	
			7	8	
			2	4	
3d Age -	46 0	17 to 18	6	12	69 12
			21	8	
			22	8	
			12	8	
			6	8	
			-	-	
4th Age -	109 0	16 to 17	23	4	210 0
			39	0	
			52	8	
			59	4	
			29	4	
			6	12	
			-	-	
5th Age -	239 0	16 to 16 ½	42	0	1,281 0
			65	10	
			93	0	
			130	4	
			185	8	
			223	0	
			214	8	
			150	0	
			120	14	
			56	4	

There is one rather interesting thing in the progress of their existence; that progress is exceedingly capricious; it does not go on regularly from day to day: for instance, in the third day of their birth they consume three pounds; in the fourth they consume only one pound six ounces; and in the fifth day, when the disease begins under which they shift their skins, they only consume six ounces, which is less than they consumed the first day of their existence. So again, in the first day of their second age, having consumed only six ounces the day before, the following day they consume four pounds eight ounces. Then again, there is more strength at the second age; then on the fourth day of the second age they only consume two pounds and four ounces, having consumed seven pounds eight ounces the day before; immediately they get relieved, from two pounds they go on to six pounds. Well, then the perilous period is the third and fourth coat changing, and on those days, though on the first case they had got to the consumption on the fourth day of the third age to 22 pounds, and go on diminishing, on the sixth day, on which they change their coat, they eat nothing, that is the day on which no food at all is consumed; then they take 23 pounds, the day before not having consumed anything; and they go on increasing up to 59 pounds, and then they begin to be uncomfortable; and in the fourth age the very large worm remains a day without food, the next day consumes 42 pounds. The whole existence of the worm is very curious; their voracity one day, their fastings the next; their rapid growth, and their extraordinary lateral respiration.

2684. I believe you have turned your attention to the operation of our reciprocity treaty with France, upon the trade of this country and of France with India?—I have; the reciprocity treaty undoubtedly was intended to be a reciprocity of benefits, but all that it has done is to produce a reciprocity of injuries, as far

Dr. Bowring.
16 July 1832.

as respects the relations between France and England. The consequence of the treaty upon the relations of France with England was to prevent the French buying in our markets any extra European products, and their notion was that they could force the French importers to go to a remote market, and that in this way they should give a great impulse to their navigation; that instead of coming here to buy the indigo or silk, or any other articles, that they would go to the East. Their project has failed certainly, and the result has been this, that they had to pay two freights for a very great portion of extra European articles; for though they cannot import oriental produce from England, they can import it from Ostend, or they can import it from Nice. The consequence is, that that which they purchase in the English market is shipped to Ostend or to Nice, and the obvious result is, that the importer pays double freight and double charges. I have given here one or two facts to Mr. Villiers, showing what its real operation had been upon their shipping.

2685. You had better state what the conditions are which bring about those results, what particular clauses there are in the treaty which bring about those results?—You know the English legislation, which was by that treaty made reciprocal in France.

2686. What is the date of that treaty?—In 1826. The treaty authorised, on the ground of reciprocity, the French government to apply in their case to England, the legislation which England applied to them. Now, it is known, that no extra European produce can be introduced into this country, except in ships direct from the extra European country; that you cannot, for instance, buy in the markets of France cotton or indigo, or any article that is not European. Well, that which England had done respecting not only France but all other nations, France did as respected England under the reciprocity treaty of 1826; and that, in fact, is the cause of a very singular appearance in our official statements of exports and imports to France. The imports into France allowed, under the treaty of 1826, cannot comprise now any colonial produce; that colonial produce goes to the Netherlands or elsewhere, and is then imported into France, because with that country France has not entered into such an absurd system of reciprocity. However, as I stated, the intention of the Government was to create a direct foreign trade, and the results are these: it will be seen to what extent that object has been accomplished: the arrival of French ships from the East-Indies and China was, in 1825, 21 ships, which consisted of 7,289 tons; in 1826, there were 22 ships, consisting of 6,546 tons; in 1829, the arrivals were 29 ships, consisting of 8,425 tons; and in 1830, 26 ships, consisting of 7,937 tons; so that as far as respects arrivals they have now only four ships more.

2687. Is the tonnage more?—The tonnage is somewhat more, it is an increase of 700 tons; but for that they pay double freight on every colonial article which they purchase from England; it is clear the loss to them is very great, the result of loss. The departures of French ships, it will be seen, are, in 1825, 20 ships departing, consisting of 6,050 tons; in 1826, 22 ships, consisting of 7,279 tons; in 1829, the departures were 33 ships, consisting of 10,366 tons; in 1830, there were only 14 ships, consisting of 4,844 tons; so that within the last year a much smaller number of ships departed than in 1825.

2688. 1825 being the year preceding the treaty?—Yes; I have the returns down to the middle of 1831, which were the latest returns I could obtain, and I found the number of ships departing were seven.

2689. The principal exports are wine?—Yes; the principal exports are wine, so that the result is really nil, as respects benefit.

2690. Have you ever attended at all to the operation of the treaty on the indigo trade?—Yes; the indigo trade is that portion of the trade in which there has been a direct import from Calcutta into France. I believe that the consumption of France fluctuates from 5,000 to 6,000 chests per annum, of which France has been in the habit, I think, of importing about 4,000 direct; the quantity of capital in France is notoriously not very great, particularly the quantity of capital invested in remote commercial adventures, and it has constantly happened that the importers of indigo have been afraid of importing to the full amount of the average French demand; they therefore generally imported about 4,000 chests, and they purchased in the English market about 1,500; on those 1,500 chests they have invariably paid the double freight and the double charges. I should state that is a commercial return, and not an official one, for we are not yet occupied with the question of those relations between France and England which concern other countries, which is a department of inquiry to which we shall come by and by.

2691. Previously

2691. Previously to the conclusion of that treaty the French were in the habit of coming here for the whole of their indigo?—I should think for the greater portion.

2692. Do you know what amount of indigo they purchase in this market now?—I believe from 1,200 to 1,500 chests per annum. The effect of the treaty has this other embarrassing consequence, that you cannot now get at the absolute amount of imports from England into France; they are made now through second countries.

2693. They used to buy their indigo and send their wine here to be exported in ships to India?—Yes.

2694. But it will be found that the imports direct from India for France have been diminishing within the last few years?—Yes, that is very likely; the state of distress is so exceedingly great under the operation of their prohibitory system, that there is no part or portion of their manufacture that is not at this moment very much affected by it.

2695. Have you formed any opinion as to whether the climate of India is detrimental to the worm?—I should think not; my impression is, from the facts that have fallen under my observation, that there is no cultivation likely to give a greater return; but it appears to me the system of management must be wholly changed. I can conceive that capital would be very advantageously invested in the production of the mulberry-tree, but that the peasant most undoubtedly has all the benefit of the production of the silk. Now, as I understand the evidence that has been given, the habit now is for the Company to fix a price, and to purchase at its own price the produce of the peasant; in fact, to lend him capital. I cannot think that that is at all a plan which is likely to be a successful one. If the proprietor of the land cultivated the mulberry-tree, and sold at a reasonable price the leaves to the peasant, he would require exceedingly little capital for the production of the silk.

2696. You did not state when the silkworms were brought in from China?—About 25 years ago.

2697. Is there any account given of them anywhere?—There is an account given of them, I think, in the annals of the Segusian district; I have only an incomplete set of these annals.

A P P E N D I X.

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Recently printed for Parliament, relating to the FINANCES of the
EAST INDIA COMPANY.

GENERAL STATEMENT of the Revenues and Charges of India (exclusive of the Commercial Charges), showing the Interest paid upon the Debts, with the Result in each Year, from 1809-10 to 1826-27, and as estimated for 1827-28.

(Papers presented by His Majesty's command, February 1830.)

Ditto - - - - ditto, 1826-27 and 1827-28, and as estimated for 1828-29.
(Lords' Paper, 1831, No. 37; and Commons' Paper, 1831, No. 206.)

Ditto - - - - ditto, 1827-28 and 1828-29, and as estimated for 1829-30.
(Lords' Paper, 1832, No. 50.)

Statements in detail of the several heads of ditto, for 1809-10, 1817-18, and 1827-28.
(Lords' Report, 1830, Appx. p. 582; and Commons' Second Report, 1830, Appx. p. 98, &c.)

Statements of the Revenues and Charges of the several Presidencies and Settlements in India and St. Helena (exclusive of the Commercial Charges), showing the Interest paid upon the Debts, and the result of each Year 1809-10 to 1826-27, and as estimated for 1827-28.

(Papers of February 1830.)

Ditto - - - - ditto, 1826-27 and 1827-28, and as estimated for 1828-29.
(Lords' Paper, 37, of 1831; and Commons' Paper, 1831, No. 206.)

Ditto - - - - ditto, 1827-28 and 1828-29, and as estimated for 1829-30.
(Lords' Paper, 1832, No. 50.)

An Account of the Total Annual Amount of the Revenues and Charges of the several Presidencies in India, from 1809-10 to 1826-27, with the Estimate of the same for 1827-28; distinguishing as to the Revenues, the Revenues realized in the Original Possessions of the Company, from the Subsidies from Native Princes, or collections from Ceded and Conquered Countries; and as to the Charges, the Military Charges, and the Charges for Buildings and Fortifications, from Civil, Revenue, Judicial and Marine Charges; showing also the Net Charge of Bencoolen, Prince of Wales Island, &c.; likewise the Interest paid on the Debts, and the amount of Territorial Charges paid in England - - - - (Papers of February 1830.)

Ditto - - - - ditto, 1809-10 to 1827-28, with the Estimate of the same for 1828-29, revised according to more recent adjustments in the Accounts of the Company, particularly with respect to the articles of "Off-Reckonings and Stores," under the Heads of "Territorial Charges" paid in England - (Lords' Paper, 37, of 1831; and Commons' Paper, 1831, No. 206.)

Ditto - - - - ditto, 1827-28 and 1828-29, and as estimated for 1829-30.
(Lords' Paper, 1832, No. 50.)

Statements of the Revenues and Charges of the Original Possessions, and of the Ceded and Conquered Countries of the East India Company, 1809-10 to 1826-27, and as estimated for 1827-28.
(Papers of February 1830.)

Ditto - - - - ditto, 1826-27 and 1827-28, and as estimated for 1828-29.
(Lords' Paper, 1831, No. 37; and Commons' Paper, 1831, No. 206.)

Ditto - - - - ditto, 1827-28 and 1828-29, and as estimated for 1829-30.
(Lords' Paper, 1832, No. 50.)

Accounts in Detail of the Revenues and Charges of the Ceded and Conquered Countries, from 1809-10 to 1827-28.
(Lords' Report, 1830, Appx. p. 568, &c.; and Commons' Second Report, 1830, Appx. p. 130.)

Ditto - - - - ditto, 1828-29 - Commons' Minutes of Evidence, 1830, Appx. p. 166.)

Ditto - - - - ditto, 1829-30 - - - - Lords' Paper, 1832, No. 30.)

Explanatory Notes relative to the distinctions of Territory observed in the Account, in which the Revenues and Charges of the Original Possessions of the East India Company are shown separately from those of the Ceded and Conquered Countries - - (Papers of February 1830.)

An Account of the Revenues and Charges of India in 1826-27 and 1827-28, and as estimated for 1828-29; showing the Annual Result after the payment of the Territorial Charges in England
(Papers of February 1830.)

Ditto - - - - ditto, 1827-28 and 1828-29, and as estimated for 1829-30; ditto.
(Lords' Paper, 1831, No. 39; and Commons' Paper, 1831, No. 179.)

Ditto - - - - ditto, 1828-29 and 1829-30, and as estimated for 1830-31; ditto.
(Lords' Paper, 1832, No. 30.)

Amount of the Gross and Net Produce of the Revenues of the three Presidencies, and the Gross and Net Charges defrayed out of those Revenues, 1823-24 to 1827-28, and as estimated for 1828-29 - - - - (Lords' Report, 1830, Appx. p. 517.)

Abstract Statement of the Charges for 1827-28, whether stated as deductions from Revenues, or as Charges appertaining to the Civil and Military Government of India.
(Lords' Report, 1830, Appx. p. 519.)

Estimate of the Amount in which the Charges of India are expected to be diminished in future years, as compared with 1828-29, by the various reductions of Establishments, Military and Civil, which either have been actually effected or are now in progress; with Statements showing the amount of Reduction to be effected at the several Presidencies and Settlements.

(Lords' Report, 1830, Appx. p. 525.)

Estimate of the Territorial Revenues and Charges of India, under their respective heads, whether payable in India or in England, for 1829-30, with a Statement of the grounds upon which the Estimate under each head is formed - (Commons' Minutes of Evidence, 1830-31, Appx. p. 170.)

Prospective Estimate of the state of the Finances of India, including the Home Charges, at the close of the Company's present term, supposing the Remittances to be effected at 1 s. 11 d. the Sicca Rupee, dated 18 March 1831 - (Commons' Minutes of Evidence, 1830-31, Appx. p. 173.)

Ditto - - - - ditto, dated 22d July 1831 - (Commons' Report, Oct. 1831, Appx. p. 558.)

Prospective Estimate of the Finances of India; showing the probable result abroad and at home in time of peace, when the reductions of expenditure ordered and in progress are fully carried into effect; the Revenues and Charges drawn from the Indian Accounts of Receipts and Disbursements; the Indian Currencies converted into sterling at the intrinsic or London Mint value of the respective coins, and the produce of Funds remitted to England, calculated at the average out-turn of a remittance in Bullion - - - - (Lords' Paper, 1832, No. 195.)

Abstracts of the Regular Estimates of the Receipts and Disbursements of the several Presidencies in India, for 1830-31, and of the Sketch Estimates for 1831-32.

(Lords' Paper, 1832, No. 116.)

Statement of the Amount of the Civil Charges of Bengal, Madras and Bombay, 1819-20 to 1826-27, and as estimated for 1827-28 and 1828-29, deducting the Charges of a fluctuating nature - - - - (Lords' Report, 1830, Appx. p. 566.)

An Account of the Quantity and Value of Military Stores exported to India from 1819-20 to 1828-29, specifying the average rate of Freight at which they have been sent out in each Year.

(Lords' Report, 1830, Appx. p. 640; and Commons' Second Report, 1830, Appx. p. 150.)

Ditto - - - - ditto, 1829-30.

(Lords' Paper, 1831, No. 38; and Commons' Minutes of Evidence, 1830-31, Appx. p. 218.)

Ditto - - - - ditto, 1830-31 - - - - (Lords' Paper, 1832, No. 37.)

An Account of the Per-centage at which the several heads of Revenue in India were collected, from 1809-10 to 1827-28.

(Lords' Report, 1830, Appx. p. 612; and Commons' Second Report, 1830, Appx. p. 82.)

Ditto - - - - ditto, 1828-29.

(Commons' Minutes of Evidence, 1830-31, Appx. p. 168.)

Ditto - - - - ditto, 1829-30 - - - - (Lords' Paper, 1832, No. 30.)

An Account of the Arrears of Land Revenue left outstanding annually, at the close of the Official Year, at each of the Presidencies, 1810 to 1828.

(Lords' Paper, No. 39, of 1830; and Commons' Second Report, 1830, Appx. p. 91.)

Ditto - - - - ditto, 1828-29. (Commons' Minutes of Evidence, 1830-31, Appx. p. 165.)

Ditto - - - - ditto, 1829-30 - - - - (Lords' Paper, 1832, No. 30.)

Accounts of Sums written off the Books of the several Presidencies in India respectively as Losses, from 1809-10 to 1826-27 - - - - (Papers of February 1830.)

Accounts of the Amount of the Bond and other Debts owing by the East India Company at their several Presidencies in India, 1809 to 1827 - - - - (Papers of February 1830.)

Ditto - - - - ditto, 1827 and 1828.

(Lords' Paper, 1831, No. 37; and Commons' Paper, 1831, No. 206.)

Ditto - - - - ditto, 1829 - (Commons' Minutes of Evidence, 1830-31, Appx. p. 172.)

Ditto - - - - ditto, 1828 and 1829 - - - - (Lords' Paper, 1832, No. 50.)

Prospective Estimate of the Territorial Debt of India at the close of the Company's present term, calculating the Sicca Rupee at 1 s. 11 d. - (Commons' Report, October 1831, Appx. p. 571.)

Computation of the Rate of Interest payable on the Indian Debt, 1809, 1814 and 1828.

(Papers of February 1830.)

An Abstract Statement of the Claims of the East India Company upon His Majesty's Government, for Supplies furnished and Expenses incurred in India and in England, on various accounts, with Interest calculated thereon to 30 April 1821, (Commons' Report, October 1831, Appx. p. 742.)

Copy of a Minute of the Governor-general of India, dated 30 October 1829, concerning the Indian Financial Estimates for 1829-30.

(Lords' Report, 1830, Appx. p. 625; and Commons' Paper, 380, of 1830.)

Copy Letters from the Court of Directors to the Governments of Bengal and Bombay (Finance Department), dated 12 December 1827, ordering reduction of Expenditure.

(Lords' Paper, 1830, No. 19.)

Copy Letter from the Court of Directors to the Government of Bengal (Finance Department), dated 24 September 1828, reviewing the Revenues and Charges of 1825-26, and the Estimates or 1826-27 - - - - (Lords' Paper, 1830, No. 19.)

Ditto - - - - ditto, dated 19 May 1830, reviewing ditto of 1826-27; and ditto for 1827-28 - - - - (Lords' Paper, 1830, No. 151.)

Ditto - - - - ditto to Government of Madras, dated 26 August 1829; ditto of 1825-26; and ditto for 1826-27 - - - - (Lords' Paper, 1830, No. 19.)

Ditto - - - - ditto to Government of Bombay, dated 25 March 1829; ditto of 1825-26; and ditto for 1826-27 - - - - (Lords' Paper, 1830, No. 19.)

Copies of Letters from the Court of Directors to the Governments of Bengal, Madras and Bombay, (Finance Department), dated respectively the 10th March 1830. Returns of the Civil Establishments of the three Presidencies.

Lords' Report, 1830, Appx. p. 627, &c.; and Commons' Paper, 179, of 1830.)

Returns of all Civil Offices, and the Establishments connected therewith, under each of the Presidencies of Bengal, Madras and Bombay, on 1 May 1817 and 1827.

(Lords' Paper, 13, of 1830; and Commons' Paper, 633, of 1830.)

Returns of all Offices, Places and Pensions, Civil, Political, Military and Commercial, with the Establishments connected therewith, held under the East India Company within the United Kingdom and Colonies, not included in Return of 1830; with the Salaries, Allowances, &c. on 1 May 1817 and 1827 - - - - (Commons' Report, October 1831, Appx. p. 682.)

An Account of Sums received in India for Sales of Import Goods and Stores, 1809-10 to 1827-28 - - - - - (Papers of February 1830.)

Ditto - - - - ditto, 1828-29. (Lords' Paper, 39, of 1831; and Commons' Paper, 179, of 1831.)

Ditto - - - - ditto, 1829-30 - - - - (Lords' Paper, 1832, No. 30.)

Accounts of the Commercial Charges not added to the Invoices in India, 1809-10 to 1827-28. (Papers of February 1830.)

Ditto - - - - ditto, 1827-28 and 1828-29. (Lords' Paper, 38, of 1831; and Commons' Paper, 168, of 1831.)

Ditto - - - - ditto, 1829-30 - - - - (Lords' Paper, 1832, No. 37.)

Accounts showing the Amount of all Advances made in India for the purposes of Commerce, in so far as regards the purchase of Investments for Europe, from 1809-10 to 1827-28, showing the Amount applied to the purchase of Investment in China, and distinguishing the Amount issued in repayment of Territorial Charges, defrayed in England, from Amount issued from Commercial Funds - - - - (Papers of February 1830.)

Ditto - - - - ditto, 1827-28 and 1828-29, ditto. (Lords' Paper, 1831, No. 38; and Commons' Paper, 1831, No. 168.)

Ditto - - - - ditto, 1829-30 - - - - (Lords' Paper, 1832, No. 37.)

Accounts showing the Amount of all Supplies between the several Presidencies and Settlements in India, and the Factory at Canton, 1809-10 to 1827-28 - (Papers of February 1830.)

Ditto - - - - ditto, and St. Helena, 1822-23 to 1828-29, specifying the particular Supplies under each head for each year - - - - (Lords' Paper, 1830, No. 139.)

Ditto - - - - ditto, 1829-30 - - - - (Lords' Paper, 1831, No. 38.)

Accounts of the Increase of Dead Stock in India, consisting of Plate, Household Furniture, Stores, &c. between 1809 and 1827, the expense of which is not included in the Charges; distinguishing what was purchased in India from what was supplied by England, and also the Territorial from the Commercial Dead Stock - - - - (Papers of February 1830.)

Accounts of the Amount of the Assets of the East India Company in India, 1809 to 1827. (Papers of February 1830.)

Ditto - - - - ditto, 1828. (Commons' Paper, 1831, No. 206, and Lords' Paper, 1831, No. 37.)

Ditto - - - - ditto, 1829 - - - - (Lords' Paper, 1832, No. 50.)

Abstract Statement of the Result of the Debts and Assets of the East India Company in India, 1809 to 1827 - - - - (Papers of February 1830.)

Ditto - - - - ditto, 30 April 1828. (Lords' Paper, 1831, No. 37; and Commons' Paper, 1831, No. 206.)

Ditto - - - - ditto, 1829 - - - - (Lords' Paper, 1832, No. 50.)

An Account of the several kinds of Goods, as Assets in hand, unsold in each year from 1815 to 1829; stating the Quantity and Value of Tea in those years. (Commons' Report, China Trade, Appx. p. 86.)

Ditto - - - - ditto, 1830 - (Commons' Minutes of Evidence, 1830-31, Appx. p. 182.)

General Statements showing the Amount of the Proceeds of the Sales of Goods and Merchandise of the East India Company in Great Britain, and of their Commercial and other Receipts, Charges and Payments in Great Britain, 1810-11 to 1828-29; distinguishing the Receipts and Payments in the Territorial from the Receipts and Payments in the Commercial Branch. (Papers of February 1830.)

Ditto - - - - ditto, 1829-30 - - - - ditto: (Lords' Report of 1830, Appx. p. 616; and Commons' Paper, 1831, No. 206.)

Ditto - - - - ditto, 1830-31 - - - - ditto - (Lords' Paper, 1832, No. 50.)

Ditto - - - - ditto, 1831-32 - - - - ditto - (Lords' Paper, 1832, No. 153.)

General Statements of the Bond and Simple Contract Debts of the East India Company, the state of Cash remaining in the Treasury, and other Effects appertaining to the Company in Great Britain and Afloat from 1811 to 1829; distinguishing the Debts and Assets in the Territorial from the Debts and Assets in the Commercial Branch - - - (Papers of February 1830.)

Ditto - - - - ditto, 1 May 1830 - - - - ditto. (Lords' Report, 1830, Appx. p. 620; and Commons' Paper, 1831, No. 206.)

Ditto - - - - ditto, 1 May 1831 - - - - ditto (Lords' Paper, 1832, No. 50.)

Ditto - - - - ditto, 1 May 1832 - - - - ditto - (Ditto, 1832, No. 153.)

An Account of Stock, per Computation of the East India Company (exclusive of their Capital Stock), drawn out in respect to England to 1 May 1815, and in respect to India to 1 May 1814 - - - - (Papers of February 1830.)

An Account of Stock, per Computation of the East India Company (exclusive of their Capital Stock), drawn out in respect to England to 1 May 1828, and in respect to India to 1 May 1827 (Ditto.)

- An Account of Stock, per Computation of the East India Company (exclusive of their Capital Stock), drawn out in respect to England to 1 May 1829, and in respect to India to 1 May 1828.
(Lords' Paper, 1831, No. 38; and Commons' Paper, 1831, No. 168.)
- Ditto - - - - - England to 1 May 1831, and India to 1 May 1830.
(Lords' Paper, 1832, No. 37.)
- Nos. 1 & 2.—Statement of the Account between the Territorial and Commercial Branches of the Affairs of the East India Company, from 1814–15 to 1828–29, drawn up upon the principle observed in the Accounts transmitted to the Government of Bengal.
(Lords' Report, 1830, Appx. p. 538, &c.; and Commons' Paper, 1830, No. 499.)
- Ditto - - - - - ditto, 1829–30.
(Lords' Paper, 1831, No. 34; and Commons' Paper, 1831, No. 168.)
- Ditto - - - - - ditto, 1830–31 - - - - - (Lords' Paper, 1832, No. 54.)
- Statement of the particulars of an Item in the Account of the Commercial Branch for 1828–29, entitled "Charges General" - - - (Commons' Report, China Trade, 1830, Appx. p. 108.)
- Ditto - - - - - ditto for 1829–30 - - - - - ditto.
(Commons' Minutes of Evidence, 1830–31, Appx. p. 179.)
- Statement showing the manner in which the Balance on the Advances from the Commercial to the Territorial Branch from 1814–15 to 1828–29 is computed by the Accountant-general to amount to £.12,110,198 - - - (Commons' Minutes of Evidence, 1830–31, Appx. p. 110.)
- An Estimate of the Account between the Territorial and Commercial Branches of the Company's Affairs, for the period prior to 1 May 1814, framed upon the principles of separation laid down in the Plan of 1814 - - - (Commons' Report, Oct. 1831, Appx. p. 560.)
- Accounts showing the Amount of all Sums paid by the East India Company from their Treasury in England chargeable to the Territories in India, 1810–11 to 1828–29.
(Papers of February 1830.)
- Ditto - - - - - ditto, 1829–30.
(Lords' Paper, 1831, No. 38; and Commons' Paper, 1831, No. 168.)
- Ditto - - - - - ditto, 1830–31 - - - - - (Lords' Paper, 1832, No. 37.)
- Copy Protest of the Court of Directors, dated 25 August 1824, against the Decision of the Board of Control not to alter the Rates of Exchange observed in Transactions between the Territorial and Commercial Branches - - - (Commons' Report, China Trade, 1830, Appx. p. 98.)
- Statements of the Rates of Exchange at which Bills have been drawn from India upon the East India Company, from 1812 to 1829 - - - (Papers of February 1830.)
- Ditto - - - - - ditto, 1830.
(Lords' Paper, 1831, No. 38; and Commons' Paper, 1831, No. 168.)
- Ditto - - - - - ditto, 1831 - - - - - (Lords' Paper, 1832, No. 37.)
- Statements of the Rates of Exchange at which Bills have been drawn upon India by the East India Company, from 1812 to 1829 - - - (Papers of February 1830.)
- Ditto - - - - - ditto, in 1830.
(Lords' Paper, 1831, No. 38; and Commons' Paper, 1831, No. 168.)
- Ditto - - - - - ditto, in 1831 - - - - - (Lords' Paper, 1832, No. 37.)
- Accounts of all Sums received by the East India Company on Bills of Exchange remitted to them from their several Presidencies and Settlements in India, and from Canton, 1810–11 to 1828–29; distinguishing the Territorial from the Commercial, and showing the Amount drawn on His Majesty's Government - - - (Papers of February 1830.)
- Ditto - - - - - ditto, 1829–30.
(Lords' Paper, 1831, No. 38; and Commons' Paper, 1831, No. 168.)
- Ditto - - - - - ditto, 1830–31 - - - - - (Lords' Paper, 1832, No. 37.)
- Accounts, showing the Amount of all Bills of Exchange and Certificates paid by the East India Company, from 1810 to 1829; distinguishing India from China, and such as were for liquidation of Indian Debt, for Interest on Indian Debt, and for General Purposes.
(Papers of February 1830.)
- Ditto - - - - - ditto, 1829–30 - - - - - ditto.
(Lords' Paper, 1831, No. 38; and Commons' Paper, 1831, No. 168.)
- Ditto - - - - - ditto, 1830–31 - - - - - (Lords' Paper, 1832, No. 37.)
- An Account of the Amount of Payments in England, on account of India, in the three years ending 1830–31, and the manner in which the Remittances have been made, including Specie and Bills, direct and indirect, stating the Prime Cost and Expenses, and the Proceeds of Sale of each such Remittance, and the Average Charge or Rate of Remittances in each of those years of such Proceeds - - - (Commons' Report, Oct. 1831, Appx. p. 572.)
- An Account, showing the Invoice Amount of all Goods, Stores and Bullion exported by the East India Company to their several Presidencies and Settlements in India respectively, to the Island of St. Helena, and to their Factory at Canton, from 1810–11 to 1828–29; distinguishing the Amount of Goods and Stores, and the Bullion on the Political from the Bullion on the Commercial account - - - (Papers of February 1830.)
- Ditto - - - - - ditto, 1829–30.
(Lords' Paper, 1831, No. 38; and Commons' Paper, 1831, No. 168.)
- Ditto - - - - - ditto, 1830–31 - - - - - (Lords' Paper, 1832, No. 37.)
- An Account of New or Increased Salaries, Establishments or Pensions payable in Great Britain, granted or created in 1829–30 - - - (Lords' Report, 1830, Appx. p. 622.)
- Ditto - - - - - ditto, 1831–32 - - - - - (Lords' Paper, 1832, No. 153.)
- Allowances, Compensations, Remunerations and Superannuations granted to the Officers and Servants of the East India Company in 1829–30 - - - (Lords' Report, 1830, Appx. p. 624.)
- Ditto - - - - - ditto, 1831–32 - - - - - (Lords' Paper, 1832, No. 153.)

Note.—For further Papers recently printed for Parliament, relating to the Trade,
see COMMERCIAL Appendix.

APPENDIX.

II.—Finance and Accounts—Trade.

Finance.

Appendix, No. 1.

II. FINANCE.

Appendix, No. 1.

A STATEMENT of the Steps which have been taken, by the Commissioners for the Affairs of *India*, or Directors of the East India Company, for carrying into effect the Separation of the POLITICAL and COMMERCIAL ACCOUNTS of the said Company; according to the 64th Section of the Act 53 Geo. 3, c. 155.

Statement of Steps taken for carrying into effect the Separation of Accounts.

MEASURES were taken by the Court of Directors of the East India Company, immediately after the passing of the Act of the 53d Geo. 3, c. 155, for carrying into effect the provisions contained in the 64th section, relating to the Separation of the Territorial and the Commercial Departments, in the Books of Account, Abroad and in England.

The Act passed on the 21st July 1813; on the 6th September following, the Court of Directors, with the approbation of the Board of Commissioners for the Affairs of India, forwarded to the Supreme Government in India, particular Orders for carrying the Separation into effect, together with the Outline of a Plan for keeping their several Books and Accounts. Copies of these Orders, and the Enclosure, are hereunto annexed.

(A.) and (a 1.)

A Plan of Arrangement for keeping the Books of Account in England, being submitted by the Court of Directors to the Board of Commissioners for the Affairs of India, early in the year 1814, was, with certain amendments, finally approved by the Board on the 30th June in that year. Copy of this Plan is annexed.

(B.)

The Books of Account, in India and in England, are now kept in conformity to the Plans sanctioned and approved by the Board of Commissioners, for each respectively. The year 1814-15 was the first year of their operation. The Accounts of that year, kept in England, were presented to Parliament on the 24th May 1815, in conformity to the directions of the Act of the 54th Geo. 3, c. 36, s. 55.

The Indian Accounts for the year 1814-15 will be presented within the prescribed period in the present year, if Documents shall be received in sufficient time from the several Presidencies in India.

India Board Office, }
8th May 1816. }

Tho. Per. Courtenay.

(A.)

EXTRACT of a Letter from the Court of Directors of the East India Company, to the Governor-general in Council in *Bengal*, in the Public Department, dated 6th September 1813; with the OUTLINE of the Plan for keeping the Books of Account in *India*.

(a 1.)

Para. 9. YOUR attention will be naturally drawn to the general principles laid down in the Act, for the future administration of India; but the very marked difference between the provisions of it, and those of the Act of the thirty-third, as they relate to the conduct of the Financial Departments of our Governments, renders it highly expedient that you should be furnished, at the earliest period practicable, with our views and opinions upon this branch of the subject, and such instructions as at present appear to be requisite.

10. The most prominent feature of the difference now made, and which will be the first object of remark, is, the entire separation of the Territorial or Political from the Commercial Branch of our Affairs, as directed by the 64th section. As very particular stress appears to have been laid upon this point, for reasons not necessary at present to be detailed; and as it is no less our earnest wish than our positive duty to yield the most implicit obedience to the directions of the Legislature, we are extremely anxious that such regulations should be framed, and such arrangements made, as shall most effectually accomplish the end required. For this purpose, the mode of keeping the Books of Account at our several Presidencies and Settlements is obviously a paramount object of attention. We are aware of the difficulty of furnishing you with instructions, which shall fully embrace every point of the detail of this extensive subject; and that the completion of any arrangement must in some measure be left to the exercise of the practical

knowledge

Appendix, No. 1.

(A.)

Extract of Letter
from Court of
Directors to
Governor-general;
6 Sept. 1813.

knowledge and experience of your Accountant-general: but we deem it of importance to apprise you, that it is indispensably necessary that measures should be taken for keeping and arranging the several Books of Account in the Departments under your Government so as to contain and exhibit the Accounts of the Territorial and Political Departments separately and distinctly from such as appertain to, or are connected with, the Commercial Branch of our affairs, according to the letter and the spirit of the Act; and it is highly essential that the arrangements for this purpose, at each of our Presidencies and Settlements, should, as far as practicable, be carried into execution upon a principle of complete uniformity.

11. We are led to hope that, from the mode in which the Books of Account in India are already kept and arranged, the difficulty of effecting the separation now directed will not be very considerable.

12. Our Auditor of Indian Accounts having, in pursuance of our directions, laid before us a plan of the future mode of keeping your Books of Account, a copy of the same is sent a number in the Packet, in order to be referred to your Accountant-general, who is to consider it as the general outline or ground-work of the future arrangement of those books; but is nevertheless to be at liberty to suggest any additions or alterations of the system thus laid down, which may in his judgment have a tendency to render it more complete.

13. According to the strict letter of the Act, the operation of this section, as well as of those relating to the appropriation of the Revenues, which will next be noticed, must be considered as commencing after the 10th April 1814. As your official year terminates the 30th April, it does not appear necessary to make any of the alterations in the general form of your books till the opening of the year 1814-15; but you will give the requisite directions, that any advances that may have been made from the Political to the Commercial Department in the manner hereafter directed, between the 10th and the 30th April 1814, may be carried to account accordingly, and stand as a debit to the latter Department in the books of 1814-15; so that it shall be practicable to present to Parliament the Account of the Territorial and Commercial transactions completely contradistinguished from each other, at the period required by the Act.

14. The next point of difference in principle from the former Act, to which your attention must be very speedily directed, is in the 55th and 56th sections of the present Act, respecting the appropriation of the revenues and profits of our Territorial possessions, and the funds which are assigned as immediately applicable to the purchase of investments, or the purposes of commerce.

15. You will observe by the 55th section, that the Territorial revenues and profits are first to be appropriated to defray the several descriptions of Charge; which are enumerated under their respective heads; viz.

The Charges and Expenses of Collecting the Revenues.

The Military Establishments.

The Interest upon the Debts.

The Civil and Commercial Establishments, and the Territorial Charges paid in Europe, or the Advances made in Europe on account of Territorial Charges.

16. The surplus which shall result, after defraying all these charges, is to be applied to the liquidation of Territorial Debt, or of the Bond Debt in England, or to such other purposes as we may think proper to direct from time to time. This is the general outline of the appropriations to be hereafter made.

17. The appropriation now prescribed differs from that prescribed by the Act of the 33d principally in the mode of advance, and in the extent of what is to be issued in each year for the purchase of Investment, the Act of the 33d directing it to be made in a specific sum from Surplus Revenue; whereas the whole amount to be issued in India, for the purposes of Commerce, in the purchase of Investment in India or China, is in future to be regulated by the actual payments which shall have been made in England, during the year preceding, from our Commercial funds on account of Territorial charges.

18. We cannot more distinctly explain our views of the construction of the Sections of the Act which have now been brought under notice, than by observing, that although the management of the whole as one concern remains with us, it is requisite that the Political branch should be considered as an affair of Government, the Commercial as that of a mercantile transaction, and by debiting and crediting in account the transactions between them in advances and supplies, as if they were absolutely distinct and separate concerns; so that accounts of receipt, expenditure, and balance, may be duly rendered by each respectively in the way required by Parliament.

19. The sections of the Act now passed, relating to the finances, appear to us to have been founded upon the positive assumption, that during peace at least, the revenues of the Territorial or Political branch will be fully sufficient not only to defray its own charges both at home and abroad, but to furnish a surplus applicable to the reduction of the debt; and that the ultimate proceeds or profits of the Commercial branch will likewise amount to a sum exceeding what shall be required for the liquidation of all demands of a commercial nature, including the dividends on the Capital Stock and the interest upon the Bond Debt in England.

20. The effectual accomplishment of these objects is of the highest importance to the future prosperity of our affairs, and, in so far as respects the Political branch particularly, is viewed by us with the utmost solicitude and anxiety. The result of the actual accounts of Revenue and Charge in the year 1811-12, as advised in your letter from the Financial Department, dated 21st November 1812, is highly satisfactory to us; and although the result

result estimated for the year 1812-13 in the same letter, falls far short of that of the preceding year, we trust that the expectations held out by you, that the actual result will not be less than a million sterling, will be fully realized. We propose communicating in the next despatch our orders relative to the branches of the Indian establishments which in our judgment are susceptible of reform, and to furnish you with an accurate estimate of what may be the future amount of the advances to be made in England on account of the Territorial Charges; but we cannot defer impressing most distinctly upon your attention the necessity of the utmost vigilance that the revenues be duly realized and brought into our treasuries; and as to the charges, not only that an increase may by every possible means be avoided, but that every measure, consistent with the security of the Empire, be resorted to for their retrenchment. The surplus revenue of a million will not be sufficient to defray the advances required in England, including the charge of interest, &c. produced by the loan of 2,500,000 *l.* from the Public in the year 1812; it is therefore perfectly clear to us, that unless a reduction of expenditure to the amount of 500,000 *l.* annually can be accomplished, the expectation of Parliament as to the liquidation of debt, will not only be disappointed, but the recurrence of war would be productive of the most disastrous consequences.

21. As directly applicable to the term "Surplus Revenue," we deem it proper to observe, for your future guidance, that the view of the surplus produce of the Territorial Revenues cannot be reckoned complete, till the whole amount of Political Charges incurred both in India and in England shall be brought to account. You will be furnished in due time with an account of the Political Charges incurred in England; but you will nevertheless continue as formerly to cause to be drawn up, and forwarded to us, the Annual Statements of the Revenues and Charges, showing the actual result in India in each year; also Estimates of succeeding years, accompanied with the fullest explanation of the causes of variations which shall appear on the comparison of the actual Accounts with the Estimates for the year to which they relate, or in the Estimates of the following years, compared with the actual accounts of the past.

22. With respect to the Commercial Branch, we strictly enjoin your scrupulous attention to its economy and management, not only as it may be connected with the proper application and employment of our own funds, but as it may be affected by the enlarged or general competition which is now admitted into the trade of India.

23. You will from time to time be furnished with our orders upon this subject: but we cannot omit on the present occasion expressing our expectation, that all our servants shall conduct themselves with liberality and candour, and act up to the full spirit of the Legislature; so that, if the traders should be disappointed in their views, they may have no ground for imputing their disappointments to any deviation on our part from the principle upon which the trade is open to them.

24. The difficulty of the process in the separation of the accounts at the winding-up of the expiring period may, in some degree, be increased by our orders of the 9th April 1813, for the investment to be provided in the year 1814, which exceed the amount in the contemplation of the Act since passed. The sums advanced in consequence of these orders will of course be brought to account, and must be hereafter adjusted with the amount of the advances or payments made from our Treasury in England, on account of the Territorial or Political concern; and in whatever amount the advance made by that concern in India in 1814, shall exceed the payment made in England, such excess must be debited in India to the Commercial branch.

25. Our instructions for the provision of the Investment of the year 1815 will be forwarded at a proper time. We propose upon another occasion to state more specifically, in detail, our views and intentions respecting the management of our Commercial affairs; for the present we shall only advert to our former observation, that the description of funds which will be hereafter immediately applicable in India to the purposes of Commerce, is—

1st. The repayment of advances made in England from our Commercial funds for expenses chargeable to the Territories, according to the amount to be advised by us, deducting therefrom the charges of the Commercial establishments, and all the Commercial charges in India which may have been paid from the Territorial revenues or the Political funds in the same year. We shall advise you of the principle upon which this deduction is to be made.

2dly. The produce of the sale of exports of goods and merchandize consigned directly to our Commercial Boards, with any other fund strictly of a Commercial nature that may come into the possession of those Boards, you will receive our instructions as to the detailed application of those funds in the purchase of Investments in India; also as to the amount to be remitted to China for the purchase of Investments there.

26. It is necessary to draw your particular attention to the money which may remain in the Indian treasuries, in consequence of the loans having been raised upon terms under which the holders of public securities are entitled, at their option, to demand the payment of the interest falling due half-yearly in bills upon us at a specific rate of exchange. The uncertainty of the amount to which, from various causes, the exercise of this option may be carried, renders it extremely difficult and almost impracticable to establish any plan of remittance upon a regular principle; this money originating in, and proceeding from, an

Appendix, No. 1.

(A.)

Extract of Letter
from Court of
Directors to
Governor-general;
6 Sept. 1813.

appropriation of Territorial revenue, is to be considered strictly of a Political nature, and as a species of deposit in your treasury for the purposes of remittance to England for the payment of the bills, which are as strictly a Political demand upon our home treasury. With this view, when the payment of the half-yearly interest upon the debt is demanded in bills upon us, you will immediately upon the issue of those bills uniformly set apart a sum equal to their amount, in order to its being remitted to us for the supply of our treasury at home: for notwithstanding the provision in the 58th section of the Act for the protection our Commercial funds in England, from the embarrassment which would be occasioned if those bills fell in course of payment without the remittance of funds from India to meet them, it is of essential moment that every practicable measure be resorted to, in order that a due supply may be thrown into our home treasury. And here we would strongly express the anxiety we feel, that our financial system may be brought to that state of arrangement, that application to Parliament for pecuniary assistance may in no case be requisite, except upon extraordinary occasions, arising from Political or other contingencies, which no human foresight or management could provide against.

27. Having laid down as a general principle, that in our judgment the money which is now the object of remark, is purely Political in its nature, we have further to add, that the disposal of it in the way of remittance is to be regulated according to a plan, the general outline of which we now proceed to communicate:—

1st. In advances to the Public Service repayable by His Majesty's Government in England. This being a mode of remittance advantageous both to the Government and to the Company, you will avail yourselves of it to the utmost extent of the demands which may arise, taking measures that the advances in cash made by you be regularly vouched, also that the account of every expenditure chargeable either in supply of stores, &c. or in disbursements on account of Government, be drawn up with the utmost precision, and transmitted to us, signed by a responsible officer. Measures are in concert with His Majesty's Government for a definitive arrangement of this subject, which will be hereafter communicated to you: but you will for the present follow the instructions which are now given, and charge the advances and supplies in the current coin of the Presidency and Settlement where they are made.

28. 2dly. The second mode of remittance that has been suggested to us, is through the channel of private merchants or individuals, and this in two ways:

First, In the receipt of monies from such merchants or individuals, into our treasury in England, for bills upon our governments in India.

Secondly, In advances by our governments in India to such merchants or individuals as may require them, for bills on their agents in England, to be offered upon the positive consideration that the amount advanced is to be employed in the purchase of goods and merchandize in India, to be consigned to some port of the United Kingdom.

29. Having thus explained the general outline of the plan, at present in our contemplation, as applicable to this remittance, we have only to add, that we are fully aware that no less uncertainty attaches to the extent to which the plan itself may operate, than to the amount of the fund for which its operation may be required. We must be governed by circumstances as they occur, and shall furnish you with our instructions from time to time. For the present you will proceed in making advances to the Public Service as first directed, and in making trial of the proposition as to advances in cash to private merchants and individuals, upon the principle now laid down, taking every possible care that no loss be incurred in the rate of exchange, or by the tenor at which the bills shall be drawn; and especially guarding that substantial security be taken from the individuals to whom the advances may be made, either by the consignment of the goods to the port of London to be deposited in our warehouses, or by such other securities as you may deem sufficient. You will likewise, as a security against risk, require that the consignments shall be insured, and the policies placed in your hands, till advice shall be received of the payment of the bills.

30. You will take into early consideration the manner in which this measure should be announced to the Public, with a view to the general accommodation, and for the purpose of your being apprized in time of the extent of the applications that may be made; for, if the amount in which the private merchants shall be disposed to avail themselves of this mode of accommodation shall fall short of the sum required to be remitted, after the advances shall have been made to the Public Service, and the bills drawn by us shall have been paid, the amount of the remittance must be absolutely and fully carried into effect, to the extent that bills may have been drawn upon us for the interest on the debts; and you must therefore, as a dernier resort, have recourse to the measure of further advances to our Commercial department, for the purchase of goods for consignment to us, to the amount of the deficiency which shall be found to exist, in consequence of the failure of demand by the parties as now adverted to, unless the situation of the money market in India shall render it safe or eligible to make an occasional consignment of bullion.

31. You will of course regulate the remittance from year to year, as far as possible, by the amount which shall be required. If in any year it should occur, that remittances shall have been granted to individuals in excess of that amount, you will in such case make a proportionate reduction in the next year.

32. The amount for which remittance will be required, must ever be liable to great fluctuation, principally from the course of exchange, and the demand that shall exist for cash at our Presidencies.

(a 1.)

OUTLINE of a Plan for keeping the Books and Accounts of the several Presidencies in India, in conformity with the directions of the Act of the 53d of His present Majesty, c. 155, sect. 64.—(Referred to in the preceding Extract, para. 12.)

Appendix, No. 1.

(a 1.)

Outline of a Plan
for keeping the
Books and Accounts
of the several
Presidencies in
India.

THE General Books which, as the title imports, exhibit the particulars of the pecuniary affairs of the Governments in all their branches, to be continued so far as regards the details of the Territorial and Political transactions of the Company. The Commercial concerns to be entered on those books only in abstract.

A set of books to be opened, entitled "The Journal and Ledger of the Commercial Concerns of the East India Company," in which every transaction relative to those concerns is to be entered in detail.

The General Journal and Ledger will contain the detail of all the accounts relative to the following departments of the service :

1st. The General Department, comprehending all matters relative to the Political concerns of the Company, the Mint and Post Office revenues and expenses, and the other offices classed under this department in the book of civil establishments ; except the establishments of the Supreme Court, the Justices of Peace and Coroner, which more properly fall under the Judicial Department ; and the Nizamut, and other stipends and allowances, which are charges upon the revenues, and should come under the Revenue Department. In regard to the stipends to the King, &c. at Delhi, these are at present charged against the revenues, although in the book of establishments they stand under the general branch.

2d. The Judicial Department, including the Supreme Court, &c. as above.

3d. The Revenue Department, including the Stipends, &c. as above, and customs ; under this department the salt and opium may also be included, as there does not appear to be any cogent reason against re-transferring the management of these articles to the Board of Revenue ; on this point, however, the opinion of the Governor-general in Council should be taken.

4th. The Marine Department. The forgoing comprise the civil branches of the service, included under the Territorial and Political concerns.

The Military Department is a separate head comprehended in those concerns ; but it is not intended that the military disbursements should appear in detail on the general books ; these may continue under their present form and mode.

The General Journal and Ledger should contain a head of *Commercial Department*, under which all receipts and advances from, to, or on account of that department, are to be entered.

The Commercial Journal and Ledger, should in like manner contain a head of *General Books*, showing the corresponding debits and credits of the Territorial and Political concerns.

The Accounts of Receipts and Disbursements annually sent to Europe, should be framed on similar principles, in such a manner as to show the distinction between the *Territorial* and *Political* and the *Commercial* transactions of the Government in the two branches.

The Quick Stock Accounts to be framed on the same principles. One statement as at present may contain the whole of the debts and assets, although to be divided under the two branches.

In the first place, the balance of property of every description remaining on the 10th or 30th April 1814. in every department under the Government, is to be stated in detail distinctly and separately under the two heads of *Territorial* and *Political* and *Commercial* ; the Quarterly Accounts thereafter will of course be framed on the same principles.

The Dead Stock Accounts to be framed in the same manner.

The foregoing observations are more particularly applicable to the Accounts of Bengal ; but the same principles are to be attended to at the other Presidencies, as far as circumstances will admit ; it being distinctly understood, that one uniform system, both in principle and detail, is to govern the method of keeping the Accounts of all the Presidencies.

For this purpose it is extremely desirable that the mode of bringing the Account on the Bengal General Books, the Revenues of the Provinces and the Customs, should be followed at Madras and Bombay ; to effect which, it will be necessary to forward from Bengal to the other Presidencies, copies of those parts of the General Books which relate to the Revenues and Customs. Any further directions which may be requisite to produce a conformity in the Books of the two Presidencies with those of Bengal, in other articles, may also be supplied from the latter.

Whatever instructions may be necessary regarding the method of keeping the Accounts at Prince of Wales Island, and Fort Marlborough, upon the plan above sketched out, will be furnished from Bengal.

East India House, August 1813.

Appendix, No. 1.

(B.)

(B.)
Plan for keeping
and arranging the
Books of Account
of the East India
Company, in
England, &c.

PLAN for keeping and arranging the Books of Account of the East India Company in England, that the said Books shall contain and exhibit the Accounts of the Territorial and Political Departments separately and distinctly from such as appertain to, or are connected with, the Commercial Branch of their Affairs; submitted by the Court of Directors of the said Company to the Board of Commissioners for the Affairs of India, for their approbation, in conformity to the Provisions of the Act of the 53d of the King, c. 155, sec. 54; together with the Alterations, Amendments and Additions made by the said Board, in the manner also provided in the said Act.

P L A N,

As originally submitted by The Court.

Classification and Allotment of Charges.

Territorial and Political Charges.

Political Charges General.

Commissioners for the Affairs of India.
Raising of recruits and cadets.
Tradesmen's bills for repairs of the house, coals, candles, house expenses; one half.
Law charges; one half.
Packets overland.
Military fund.
Annuitants and pensioners; all granted for political services.
Directors gratuities; one half.
Salaries and gratuities to the officers of the house.
Secretary's office; two-thirds.
Treasury; one-fourth.
Accountant's office; one-fourth.
Examiner's office; the whole.
Auditor's office; ditto.
Freight office; one-fourth.
Historiographer; the whole.
Librarian; ditto.
Book office; one-half.
Counsellor; ditto.
Solicitor; ditto.
Paymaster of seamen's wages; one-fourth.
Shipping; ditto.
Military stores; the whole.
Military fund; ditto.
Doorkeepers; two-thirds.
Military Secretary; the whole.
Assistant; ditto.
Extra clerks; two-thirds.
Fire-lighters and porters; one-half.
Military officers and soldiers; sundries for provision on the outward voyage to India.
East India volunteer regiments.
Sundries for passage-money to India.
Company's stud.
Subscriptions to charities and on public occasions; one-half.
Clerks in the house, for extra attendance; in the same proportion as the salaries.
Military seminary; the whole except the building.

ALTERATIONS, AMENDMENTS, and ADDITIONS,

By the Board of Commissioners.

Law Charges.—The expense incurred under this head, whether for actions at law or otherwise, relating to the Political Department, to be distinctly and separately brought to account.

Freight office to be wholly chargeable to the Commercial Department.

Paymaster of seamen's wages to be wholly chargeable to the Commercial Department.

Shipping, ditto, ditto.

The expense of the volunteer regiments to be equally divided between the Political and the Commercial Departments.

Admitted, as far as relates to the Political service.

P L A N,

As originally submitted by The Court.

Political Charges General—continued.

East India College; the whole except the building.

Examining military stores.

Adjustment of Indian accounts, and payments on account of India.

Money advanced per order of the Secret Committee.

Bengal Orphan Society.

Commissioners for adjudicating Carnatic debts.

Depôt at the Isle of Wight.

Stationery for home use; one-half.

Persian embassy and subsidy.

Fees on brevet commissions.

Madras Military Fund.

Batta to King's naval officers serving in India.

Taxes for the house; one half.

Prisoners of war.

Passage of Military to India, including Tonnage occupied by the Troops.

Political Freight and Demorage.

Demorage previous to leaving England, where the same has been incurred by waiting for troops or stores belonging to Government.

Passage of troops; Charter-party passengers.

Freight of tonnage allowed; ditto.

Victualling, ditto.

Amount of freight paid by the Company, for tonnage reserved for the accommodation of troops.

ALTERATIONS, AMENDMENTS, and ADDITIONS,
By the Board of Commissioners.

Appendix, No. 1.

(B.)

Plan for keeping and arranging the Books of Account of the East India Company, in England, &c.

East India College.—The expense to be charged to the Commercial Department, in the proportion the number of servants of that Department bears to that of the Political Department on the Indian establishments.

Approved, so far as may relate to the Political Department.

Approved—but the Board require an account to be annually laid before them, at the commencement of the season, of the rate proposed to be charged for the passage of each officer and soldier to India, showing the several items of which that rate is composed; also an account showing the number of military actually conveyed to India in the Company's ships in each season, with the charge on account thereof: distinguishing His Majesty's from the Company's troops; distinguishing likewise officers and privates.

The Board approve, as a general principle, of the Commercial Department being reimbursed every expense *bonâ fide* and actually incurred by the provision of tonnage for the conveyance of troops or stores to India: but considering the charge in question to be immediately applicable to or connected with the Company's Political government, they think proper to direct that arrangements be made to avoid, as far as practicable, this charge. As to the embarkation of His Majesty's troops for the Company's service, that the Departments of Government give timely notice to the Court of Directors of the number of troops intended to be sent to India in each season; and that the Court in due time apprize those Departments of the periods after which the ships would be subject to the charge of demorage. With respect to the Company's own troops, it is presumed to be perfectly within the power of the Court to prevent the necessity of incurring the charge.

Admitted; but an account to be annually laid before the Board, showing distinctly the expense incurred on these accounts; also the number and description of Charter-party Passengers, with the rate of charge for each, under their respective heads.

According to the general principle already admitted, expense actually incurred by the Commercial Department, is to be repaid:—As to tonnage expressly reserved for, and occupied by troops, there can be no question;

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Appendix, No. 1.

(B.)

Plan for keeping
and arranging the
Books of Account
of the East India
Company, in
England, &c.

PLAN,
As originally submitted by the Court.

Political Freight and Demorage (continued.)

Amount of freight paid by the Company,
in consequence of the ship being employed
as a packet or cartel.

Demorage for time employed in public
service, or in carrying troops or stores from
one port to another in India; and

Freight paid for tonnage of troops, mili-
tary stores, &c. from one port to another in
India.

Freight of Stores, consigned to St. Helena.
Demorage for deviation to St. Helena, and
for detention there delivering stores, outward
bound.

Freight on Government stores.

Interest on the Debts of the Nabob of Arcot.

*Pay to Military Officers on Furlough and
Retirement.*

ALTERATIONS, AMENDMENTS and ADDITIONS,
By the Board of Commissioners.

but the rate of the freight must be annually
reported to the Board, as before required.
As to tonnage reserved, but not occupied in
consequence of the embarkation being coun-
termanded, the Board cannot admit the
charge, unless it shall be made to appear that
a positive loss or expense has been incurred
by the Commercial Department; and that it
was found necessary to occupy extra tonnage,
or to charter more ships in consequence of
the reserve for the conveyance of troops.

Admitted; with the understanding that the
proposition has no reference to dispatches or
letters forwarded to or from India, by the
Company's ships in the usual course.

Admitted; provided the Commercial De-
partment actually incurs expense or loss by
the ships being detained or employed for the
purposes now stated, but not otherwise. If
ships are proceeding from one port to another
in India, unoccupied by merchandize, and
no extraordinary freight or demorage is paid
to the owners in consequence of the convey-
ance of troops or stores, no charge should be
borne by the Political Department, except
for the victualling the troops or shipping the
stores, according to long-accustomed usage.

At a rate to be reported to the Board from
year to year. If the Company have dealings
at St. Helena in the export of goods for sale,
a proportion of the demorage should be
charged to the Commerce. Positive orders
should be given to the government of St.
Helena to adopt every measure to prevent a
longer detention of the ship at the island
than absolutely requisite for the delivery of
the stores.

The freight on Government stores being
repayable by His Majesty's Government in
England, cannot be classed with the head of
Political Freight and Demorage, which forms
a part of the Territorial Charge to be repaid
in India. A discussion having taken place
with the Right honourable the Secretary of
State for the War Department, respecting
the conveyance of troops and stores for
Government on the Company's ships, and
the general principle admitted that prefer-
ence should be given to these ships over
those of private individuals, provided the
charge is equally reasonable; it will rest
with the Court to adopt the requisite mea-
sures with the public offices, in order to ac-
complish a definitive arrangement on this
subject.

Admitted to be Political; but the Board
desire to be furnished with an account of the
actual amount of the Funds for this purpose,
arising either from annual receipts from the
Carnatic revenue, or the interest upon the
amount of them: also the specific application
of the same in India and England, whether
in liquidation of charges incurred by the
Commissioners, or in payment of the prin-
cipal or interest of the claims already adjudi-
cated by the said Commissioners, made up to
the latest period practicable; also that an
account of a similar description be furnished
annually.

Approved; but a detailed statement of the
payments on this account to be annually laid
before the Board.

PLAN,
As originally submitted by the Court.*Pay Office General for recruiting King's
Regiments serving in India.**Interest on the Loan of £. 2,500,000. from
the Public, and Sinking Fund.**Expenses of St. Helena, payable in England.**Expenses of Prince of Wales Island, payable
in England.**Expenses of Bencoolen, ditto.**Military and Garrison Stores to be exported.*

Cost.

Freight on ditto.

Interest.

Charges.

ALTERATIONS, AMENDMENTS, and ADDITIONS,
By the Board of Commissioners.

The repayment of this disbursement to the Commercial Department in India, depending on the actual advance of the money by the Company's treasury in England, an arrangement must be made with the office of His Majesty's Paymaster General, respecting the periods of payment, so as that the demands of that office may be regularly brought forward and liquidated within the Company's official year of account.

This payment should be regularly brought to account, distinguishing interest, and sinking fund.

Approved. The revenues at present existing with whatever new duties may be levied, to be applicable to the expenses. The correspondence relating to the affairs of this island, to be hereafter submitted to the consideration of the Board of Commissioners, in like manner with that relating to the other political concerns of the Company.

An adjustment must be made of the expenses of the island; and such part as may appear to be of a commercial nature carried to account accordingly.

An adjustment to be likewise made of the expenses of this settlement; the Military establishment, after deducting the revenues, to be charged to the Political Department, and the Civil Establishment to the Commercial.

Marine or naval stores for the Company's marine establishments are supposed to be comprized with the military and garrison stores. The Board rely that the utmost attention be paid, that the indents from India for stores be limited to the annual demands of the service, as far as prudent and practicable, so that expense be not incurred by the mere accumulation in the arsenals. Economy in the purchases is evidently an essential point of attention. The freight will be charged at the rate charged on the Company's staple exports, or in an equitable proportion, according to the articles. The interest on the actual outlay of the money, and the rate of the charges on the invoices, similar to that on the Company's exports.

(B.)
Plan for keeping
and arranging the
Books of Account
of the East India
Company, in
England, &c.

SUGGESTIONS by the COURT,

In regard to the Preparation of Accounts under
The New Charter.

1. It is submitted, that the profit and loss accounts be made up in the respective sales as heretofore; that the profit which shall be apparent in the March and September sales 1814, shall be the funds whereout the dividends due in July 1815 and January 1816 shall be paid. The same system to be observed in each subsequent year, so that the dividends shall be payable out of the profits arising in the preceding year.

REMARKS, ALTERATIONS, AMENDMENTS,
And ADDITIONS,

By the Board of Commissioners.

As the appropriation of the profits of the year in the manner suggested by the Court, appears to be the only practicable mode by which the directions of the Act can be carried into operation, the Board approve the same, premising that the dividends on the capital stock due in July 1814 and January 1815, will be paid from funds arising from profits in the sales of March and September 1813; but they think proper to call the attention of the Court to the necessity of giving directions, that the accounts which must be required, according to the 57th and 58th sections of the Act of the 53d of the King, be annually prepared with every degree of precision, in order to show the sufficiency or otherwise of the funds for the purposes therein specified.

II.
FINANCE.

Appendix, No. 1.

(B.)

Plan for keeping and arranging the Books of Account of the East India Company, in England, &c.

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APPENDIX TO REPORT FROM SELECT COMMITTEE [II. Finance.

SUGGESTIONS by the COURT,
In regard to the Preparation of Accounts under
The New Charter.

REMARKS, ALTERATIONS, AMENDMENTS,
And ADDITIONS,
By the Board of Commissioners.

2. That the political payments, which shall be made in England in the year 30th April 1814 to 30th April 1815, added to the amount of exports in the year 1814-15, be considered as constituting the funds which will be applicable to the provision of cargoes to return to England in the year 1816.

3. That the general stock account of the Company, called Stock per Computation, which has been heretofore made up to the 1st March in each year, shall in future be made up to the 1st May, and that the home-accounts, as well as the quick stock accounts of the several Presidencies of India, do distinctly exhibit the statement of Territorial debts and assets, contradistinguished from Commercial debts and assets; and also that the annual account, which in virtue of Acts of Parliament now in force is directed to be made up to the 1st March in each year, be in future made up to the 1st May. To effect this alteration, a new Parliamentary enactment will become necessary.

4. That an account be opened in the ledger under the head of "Territorial Account," which will contain on the debit side the amount of all payments made in England on that account; and on the credit side the payment by India, of these advances either by issues to the Commercial Boards in India or by any other means.

5. That an account be opened under the head of Bills of Exchange, drawn from India on account of the interest of Indian debt; the debit side to exhibit the amount of payments made in England by the Company, in each year on such account. The credit side to exhibit, 1st. The amount of monies that may be received in England in re-payment of

Approved; as the suggestion appears to be in conformity to the letter and spirit of the 50th section of the Act, so far as respects the year which is specified. The commencement of the new system is prescribed to be the 10th April 1814, both for India and England. The process in the first year must therefore necessarily be on estimate, and adjustments must afterwards be made of the advances and payments in the Commercial Department, in the manner provided for in the same section.

The Act of the 54th of the King, cap. 36, sec. 55, provides for the alteration of the period of making up the accounts. The distinct exhibition of Territorial debts and assets contradistinguished from Commercial debts and assets, as now proposed, is fully approved; and the Board are very desirous that instructions be sent to the Indian Governments to give the most positive directions to the Departments of Account, relating to the transmission of documents required, for the preparation of Accounts in England, so that they may be presented by Parliament within the time required by the Act.

Approved; on the assumption that it is combined with such arrangements of detail, as shall enable the Company from time to time to furnish such distinct accounts relating to the several branches of the Political Department, both as to debts and assets, and receipt and expenditure, as are or may be required by Parliament, or called for by the Board. It being understood, that the account of the payments in England for Territorial charges to be repaid in India, according to the provision of the 54th section of the Act of the 53d, will be drawn up or calculated from the debit side of this general head; and as the rate of exchange at which the payment in sterling shall be converted into Indian currency, is not provided for in the said Act, the Board deem it eligible and proper to determine, that the exchange shall be at the same rates which have obtained and been sanctioned by the usage of Parliament, as well in fixing of salaries, and in the settlement of accounts between the Public and the Company, as in the accounts which have annually been presented to or brought to the view of Parliament for a long series of years, viz.

2 s. the current rupee, calculated at 16 per cent. less than the Sicca rupee.

8 s. the Pagoda.

2 s. 3 d. the Bombay rupee.

The Board fully approve the keeping the transactions to which this head of account applies, entirely distinct and separate from that of the general Territorial account. The manner of debiting the payments in England under this head, as now proposed, is correct. The formation of the credit side, by bringing to account the remittances through the

SUGGESTIONS by the COURT,
In regard to the Preparation of Accounts under
The New Charter.

of advances made in India on account of His Majesty's government.—2dly. The amount of monies that may be received in England for bills to be drawn on India.—3dly. The amounts of bills of exchange drawn in the Company's favour for advances made to individuals in India.—4thly. For advances made in India to the Company's commercial servants, for investment to be specifically provided in India from the funds, to the amount which England shall be drawn upon for the payment of the interest on the Indian debt.

6. As the amount of stores to be exported may be deemed a Territorial disbursement, it is submitted that in future those stores be invoiced at their actual prime cost, without the addition of 10 per cent. as has been the practice; that the freight outwards, the insurance, interest, and charges of shipping be added in lieu of this 10 per cent.

7. It thus being proposed that the invoices of stores exported to India, shall contain the prime cost with the several charges of freight, interest, insurance, and charges of merchandize, so in like manner it appears to be desirable that the invoices of goods for sale should be formed upon the same principle.

735-II.

REMARKS, ALTERATIONS, AMENDMENTS,
And ADDITIONS,
By the Board of Commissioners.

the four modes which are pointed out, calls for no further remark as to the three first, than as it may relate to the uncertainty of their amount respectively, from being exposed to contingencies as to the advances to the Public Service, and being experimental as to the transactions with individuals. As to the fourth mode, or the remittance to be made through the channel of the Company's Commerce, which is designed to embrace whatever amount may be required to be remitted beyond what shall have been provided for by the other modes, the Board, in reference to the several discussions which have taken place on this subject, have thought proper to agree, that an arrangement be made on the following principles: The balance found remaining under this head of Account at the close of the year, after giving full credit for all remittances received from India in the course of the year, whether in bills or certificates upon Government, or bills upon individuals paid or payable, or in receipts from individuals for bills on India, to be added to the amount of Territorial Charges, to be repaid from the Political Treasury in India to the Commercial Department there, and to be applied by that department, at the option and risk of the Company. But the amount of this balance to be converted into Indian currency at the rate of exchange at which the bills may be drawn; provided always, that if, in any year, the Company's trade from India shall not realize, upon an average, 2 s. 6d. the sicca rupee, the Political Department shall be debited for the amount of the deficiency, which shall be found to have arisen on the sum to which this head of account relates. The Board desire it to be distinctly understood, that their acquiescence in the arrangement suggested by the Court for making the separation of the Political and Commercial Accounts in the existing ledger, is, from their reliance on the assurance conveyed by the Court, that it will be found fully sufficient for the purpose of yielding obedience to the directions of the late Act, and that new heads will be opened in the books of the Company from time to time as circumstances may require, of which the Board is to be kept regularly advised.

The cost, freight, interest and charges of shipping having been already adverted to, this suggestion is approved, with the exception of what relates to insurance, which is not to be charged.

Approved; with the exception of insurance, the losses actually sustained to be brought to account as heretofore.

Appendix, No. 1.

(B.)

Plan for keeping
and arranging the
Books of Account
of the East India
Company, in
England, &c.

Appendix, No. 1.

(B.)

Plan for keeping
and arranging the
Books of Account
of the East India
Company, in
England, &c.SUGGESTIONS by the COURT,
In regard to the Preparation of Accounts under
The New Charter.REMARKS, ALTERATIONS, AMENDMENTS,
And ADDITIONS,
By the Board of Commissioners.

8. In regard also to the formation of the freight accounts, it will be desirable that the freight upon goods exported be separated from the freight on goods imported. According to the present system, the whole freight and demorage is charged in the home accounts, excepting upon such part of the outward cargo as exceeds the stipulated free tonnage.

9. As political freight and demorage is to be carried to the Territorial account, it will also be necessary that a separate account be made up for all charges of this description, such account to pass the Committee, as is customary with other freight accounts.

10. As the Company are in the practice of making advances on account of freight at various periods before the freight account is finally settled, these advances, it is submitted, shall in the first instance be considered to relate alone to the commercial freight and demorage, subject to future adjustment. The freight account in this view of the subject, will be divided into three classes:—
1st. For freight and demorage outward;—
2dly. Freight and demorage homeward;—
3dly. Political freight and demorage.

11. Such directions as appeared to be necessary for the arrangement of the Indian books and accounts, have been transmitted to India in the despatch of the 6th September last.

12. The Act commencing simultaneously in England and in India on the 10th of April 1814, the statement of debts and assets at home and abroad should be made up terminating with that day, or say 30th April 1814. The view then exhibited of the Company's debts and assets, distinguishing under the heads respectively of political and commercial, will be the basis on which the future system of the Company, in regard to the separation of their accounts, is to be formed; but this account cannot be made up till the Indian statements to the 30th April 1814 shall have been received in England.

13. As it has been before proposed that the accounts of stock per computation, shall be made up on the 1st of May in each year, it is also proposed that the general ledger of the Company in England shall be balanced on the 30th April in each year, instead of the 30th June in each year as at present. An alteration in the bye-laws will be necessary, before this proposition can be carried into effect.

Approved.

Approved.

Approved.

Requires no remark.

The statement to be prepared in the manner proposed, and made up to the 10th, and adjusted to the 30th April 1814, for presentation to Parliament in the next year, at the period directed by the Act.

Approved.

Approved by order of the Board of Commissioners for the Affairs of India.

Whitehall, 30th June 1814.

(signed) Tho. Per. Courtenay.

Appendix, No. 2.

MR. PENNINGTON'S REPORT.

Appendix No. 2.

India Board, 20 July 1832.

India Board, }
20 July 1832. }

(signed) Thos. Hyde Villiers.

IN the course of the inquiries which have been instituted into the Financial condition of the Indian Empire, and of the East India Company, it was understood to be the wish of the Committee of the House of Commons (1831) that some person, sufficiently conversant with accounts, and unconnected either with the Company or the Board of Control, should be employed for the purpose of examining the Public Accounts of the Company. The Board of Commissioners for the Affairs of India, having taken steps with a view of meeting this desire, have directed that the Report hereunto annexed may be submitted for the consideration of the Committee.

Appendix, No. 2.

LETTER from *James Pennington, Esq.* to *T. Hyde Villiers, Esq.* enclosing REPORT upon the Financial Accounts of the East India Company. Appendix, No. 2.

Sir,

India Board, 20 July 1832.

I HAVE the honour to enclose my Report upon the Financial Accounts of the East India Company, which I beg you will do me the favour to submit to the consideration of the Commissioners for the Affairs of India.

I have, &c.

James Pennington.

REPORT upon the FINANCIAL ACCOUNTS of the EAST INDIA COMPANY.

THE Commissioners for the Affairs of India having directed me to examine the Territorial and Commercial Accounts of the East India Company, I commenced the investigation by examining in detail the various Statements laid before me, with a view to discover the principle on which they are drawn out, the relations that subsist between them, and the conclusions to which they lead. Report on the Financial Accounts of the East India Company.

The "Memorandum on the Finances of India," which I submitted to the consideration of the Board in the month of February last, explained the mode in which it appeared to me the investigation might be most successfully conducted, and the nature of the difficulties which opposed its progress. See page 32.

Other accounts and explanatory statements have since been laid before me, which have led to more distinct and satisfactory results than I found it possible at that time to attain. Of those results I beg to submit to the Board the following Statement:

Previously to the passing of the Act of the 53 Geo. 3, c. 155, the East India Company were not required to separate the accounts of their Commercial from those of their Territorial affairs. The general interest of the united concern only was considered, without any view to the peculiar objects and interests of either Branch, taken separately.

But the 64th section of that Act required that the Books of Account, abroad and at home, should be so kept and arranged as to exhibit the Receipts, Disbursements, Debts and Assets, appertaining to or connected with the Territorial, Political, and Commercial Branches of their affairs respectively; and that the said Books should exhibit the Accounts of the Territorial and Political Departments separately from those of the Commercial. The Court of Directors were likewise required to prepare a plan for an arrangement of the Accounts of the Company in the manner above-mentioned, and to submit the same to the Board of Commissioners for the Affairs of India, for their approbation.

A plan was accordingly framed immediately after the passing of the Act, and, with certain amendments by the Board of Commissioners, was finally approved.

The Statements laid before Parliament since the year 1814 appear to have been drawn out in accordance with the plan thus arranged and approved of, and have been presented from year to year, in compliance with the Act of 35 Geo. 3, c. 52, s. 126, and 54 Geo. 3, c. 36, s. 55, which require that the Company shall, "within the first fourteen sitting days next after the 1st May in every year, lay before both Houses of Parliament," Accounts Territorial and Commercial, "made up according to the latest advices which shall have been received, and with as much accuracy as the nature of the case will admit."

Those Statements, however, are to be regarded as Statements rather than as Accounts, and do not exhibit, nor afford the means of exhibiting, such a balanced Statement of results as precludes the risk of any material error or omission.

Other Accounts and Statements have lately been furnished, with the view of remedying this defect, of obviating all apparent discrepancies, and of bringing all outstanding items of account to a final and satisfactory close.

Those Accounts and Statements consist of two series; one of which relates to the Territorial, the other to the Commercial branch of the Company's affairs. Of the former, the basis is the Cash Account of Bengal, Madras, and Bombay respectively, commencing with the Balance of cash in the Indian Treasuries on the 1st May 1814, terminating with the Balance of cash in the Indian Treasuries on the 30th April 1829, and comprehending all the cash receipts and disbursements of the three Presidencies during the intervening period.

The following is a condensed Statement of its general results :

Appendix, No. 2.
Report on the
Financial Accounts
of the East India
Company.

Cash in the Treasuries of Ben- gal, Madras and Bombay, 30th April 1814	£.	5,548,476	Supplies to the Commercial Branch	£.	30,364,290
Surplus Revenue.	-	9,304,411	Supplies to Subordinate Settle- ments, including St. Helena	-	2,548,011
Difference between debt in- curred and paid off, including Oude cancelled loan, and Commissioners for the re- demption of debt	-	17,289,864	Unadjusted debits and credits between the three Presiden- cies	-	421,795
Balance of Supplies from Lon- don	-	9,041,717	Unadjusted debits and credits between the several Treasu- ries Subordinate to Madras	-	289,968
			Military Advances outstanding at Bombay	-	240,183
				£.	33,864,247
			Cash in the Treasuries of the three Presidencies, 30th April 1829	-	7,320,221
	£.	41,184,468		£.	41,184,468

By the foregoing summary of the Cash Transactions of India, it appears that, from 1814-15 to 1828-29, the Surplus Revenue of the three Presidencies amounted to 9,304,411 l.; from which is to be deducted the sum of 240,183 l., the amount of Military Advances, &c. outstanding at Bombay, which forms a further charge upon the Revenues, and reduces the local surplus to 9,064,228 l.

In order to introduce the Home Territorial Charges, and all other outstanding items, into this Account, and to obtain a clear view of the Debt Transactions of India, a mutual adjustment of all Accounts between the two branches of the Company's affairs, as well in India as in London, is obviously necessary.

The Account, No. 4, (Territorial Series) shows a Balance due to London from India of 9,041,721 l. The Account, No. 5, (Territorial Series) shows that after charging the Commercial Branch with the sums issued on its account, at the Subordinate Settlements and St. Helena, the balance to be accounted for to the Territorial by the Commercial Branch amounted to 30,753,271 l.

These Accounts, being the counterparts of two corresponding Accounts kept in England, one of which relates to Territorial and Political Payments made in England and the other to Bills of Exchange drawn on account of the Principal and Interest of Indian Debt, should ultimately agree with the latter in their results.

The Explanatory Statements (contained in Nos. 10 and 11, Commercial Series) not having been found sufficient for the purpose of effecting the necessary adjustments, such further explanations have been given as have furnished the means of deducing the same Balances in the Indian as are exhibited in the London Accounts.

But this object has been accomplished only by conditionally introducing into the former various items, of which an Account, under the head of "Deferred Items," is hereunto annexed, and of which the Balance is 3,587,076 l. These Adjustments having been thus conditionally made, and the Net Supplies to the Subordinate Settlements and St. Helena ascertained, the Territorial Income and Outgoings, and Debts and Credits, are shown in a condensed form in the following Statement :

Surplus Charge, (No. 1.)	-	18,410,141	Balance of Cash Debt incurred in India	-	17,289,864
His Majesty's Government, (No. 2.)	-	3,019,869	Balance of Supplies to and from London, (No. 4.)	-	4,580,197
Balance of Supplies to the Commercial Branch, (No. 3.)	-	1,543,619	Deferred Items, (No. 5.)	-	3,587,076
Unadjusted Debits and Credits between the Presidencies	-	421,795			
Unadjusted Debits and Credits at Madras	-	289,968			
Cash 30th April	£.				
1814	-	5,548,476			
Cash 30th April					
1829	-	7,320,221			
Difference of Cash	-	1,771,745			
	£.	25,457,137			

The

The Accounts, of which the foregoing is a Statement of the Balances, are hereunto annexed, numbered from 1 to 11.

No. 1 is the Account of Revenue and Charge.

The Tabular Statement (No. 7) shows, that the Surplus Revenue of Bengal, in the 15 years terminating on 30th April 1829, was	-	-	-	£.	28,374,534
Deduct,				£.	
Madras, deficit for the same period, as per No. 8.	-	-	-	3,086,384	
Bombay ditto as per No. 9.	-	-	-	15,983,739	
					19,070,123
Deduct,					9,304,411
Military Advances, &c. outstanding at Bombay	-	-	-	-	240,183
Indian Surplus	-	-	-	£.	9,064,228

Appendix, No. 2.

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Company.

Exclusive of the Expense of Bencoolen, Prince of Wales' Island, Singapore, Malacca and St. Helena; which, and the Home Charges, were as follow:

Subordinate Settlements	-	-	-	-	-	£. 2,072,287
St. Helena, Net Charge, including all supplies from England and India	-	-	-	-	-	1,576,370
Home Charges, as per No. 10 (excluding the repayment of the Loan of 1812, which is an item of Debt rather than of Charge)	-	-	-	-	-	16,509,118
Political Stores	-	-	-	-	-	7,316,594
						27,474,369
Deduct Indian Surplus, as above	-	-	-	-	-	9,064,228

Total Territorial Deficit in 15 years, in which is included a Payment of 1,201,201 l. for the Redemption of an Annual Charge of Peishcush or Tribute to the Nizam, of 72,072 l. * 18,410,141

On reference to the Account of Deferred Items, it will be seen that other Outgoings were as follow:

Difference in the Rates of Exchange at which Bills for Principal and Intest of India Debt were actually drawn, and those at which the Indian Money is converted into Sterling in the Account between the two Branches †	-	-	-	-	-	213,515
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Loss on Consignment of Treasure, viz.

Cost at the Rates of Exchange above mentioned	-	-	-	£.	3,855,003
Produce in England	-	-	-	-	3,237,752
					617,251

Miscellaneous Claims of His Majesty's Government (Appendix, Report 1831, page 759)	-	-	-	-	-	34,176
Demands of His Majesty's Government prior to 1829, adjusted subsequently	-	-	-	-	-	35,006
Balance of Payment to Government for Spices	-	-	-	-	-	37,735
Further difference in Bills drawn by India upon London	-	-	-	-	-	9,438
Difference in sundry items of Debit and Credit between India and London, including Lord Clive's Fund	-	-	-	-	-	44,085
Loan of 1812, Principal and Sinking Fund	-	-	-	-	-	3,017,172
Short Adjustment in the Account with His Majesty's Government	-	-	-	-	-	2,697
						22,421,216

Assets:

Cash Balances in India, 30 April 1814	-	-	-	-	£.	5,548,476
Ditto ditto 30 April 1829	-	-	-	-	-	7,320,221
Increase of Cash	-	-	-	-	-	1,771,745
Unadjusted Debts and Credits between the Presidencies	-	-	-	-	-	421,795
Ditto at Madras	-	-	-	-	-	289,968
					£.	24,904,724

Supplies:

* This Amount differs from the result shown in the Continuation Papers of March 1831. The latter includes the repayment of 1,717,172 l. in Cash, on account of the Principal and Sinking Fund of the Loan of 1812, and does not include certain Items of an extraordinary nature both of Receipt and Payment, of the omission of which in the Budget Statements, a revision of those Statements at the India House led to the discovery. (See observations prefixed to the Territorial Series of Accounts.)

† 2 s. per Current Rupee, 8 s. per Pagoda, 2 s. 3 d. per Bombay Rupee.

Appendix, No. 2. Report on the Financial Accounts of the East India Company.	Supplies :					£.
	Debt incurred (including 2,666,839 <i>l.</i> surplus profits)	-	-	-	-	17,289,864
	Balance due from His Majesty's Government prior to 1st May 1814	-	-	-	-	2,112,113
	Surplus Commercial Profit applied in England towards the Payment of Bills drawn on account of Indian Debt	-	-	-	-	2,256,182
	Balance due to the Commercial Branch	-	-	-	-	3,036,578
	Bills on London due subsequently to 1st May 1829, and not therefore in the last-mentioned Balance	-	-	-	-	1,152,966
	Short-Charge of Supplies to the Commercial Branch in India	-	-	-	-	129,919
						25,977,622
	Deduct Outgoings and Assets as above	-	-	-	-	24,904,724
	BALANCE to be accounted for	-	-	-	-	£. 1,072,898

The Balance of 1,072,898 *l.*, remaining to be accounted for in the foregoing Statement, arises from the following circumstance :

Bills, amounting to 1,396,913 *l.*, were drawn in India antecedently, and became due in London subsequently, to the commencement of the present Charter. This amount formed no part of the Indian expenditure within the Company's present term : it is, nevertheless, included in the Balance of 3,036,578 *l.*, stated to be due from the Territorial to the Commercial Branch since the separation of Accounts.

On the other hand, the proceeds of Bullion per the Stirling Castle, amounting to 324,015 *l.*, which was shipped in India antecedently, and arrived in England subsequently, to the 1st May 1814, formed no part of the income of India within the present term ; but Credit is given for the amount in the London Account Current subsequently to that date.

The difference between these two sums of 1,396,913 *l.* and 324,015 *l.*, is 1,072,898 *l.*, the Balance unaccounted for in the foregoing Statement.

If this Balance be rightly charged by the Commerce to the Territory within the period in question, it will form an additional Charge upon the Indian Revenue.

Amongst the outgoings above stated is the repayment of the Loan of 1812. (52 Geo. 3., c. 135.) As this repayment, and the Account with His Majesty's Government with which it is in part mixed up, appear to have been the occasion of some difficulty and misapprehension, it may not be improper, in this place, shortly to advert to them.

The amount of the Loan was originally 2,500,000 *l.*, of which 2,272,623 *l.* remained unliquidated on the 1st May 1814.

This sum of 2,272,623 *l.* was ultimately discharged by money payments, amounting altogether to 1,717,172 *l.*, and a set-off of 1,300,000 *l.* against the Company's Claims upon His Majesty's Government.

But on the 1st May 1814, His Majesty's Government was indebted to the Company to the extent of 2,798,001 *l.*, of which 685,888 *l.*, in addition to certain old Claims of the Company, were rejected by Government in the compromised Settlement of 1822*, leaving 2,112,113 *l.* as a good and admitted claim, and therefore an effectual Territorial Asset.

Under these circumstances, it is obvious that if the money payments of 1,717,172 *l.*, and the set-off of 1,300,000 *l.*, together 3,017,172 *l.*, be added to the Territorial Charges, the Asset of 2,112,113 *l.* must be added to the Territorial Revenue, and that in no view of the matter it can be right to include the cash payments of 1,717,172 *l.* in the Territorial Charges, and to leave the set-off of 1,300,000 *l.*, and the asset of 2,112,113 *l.*, altogether unnoticed.

The proper mode seems to be, to treat the repayment of the Loan of 1812, and the realization of the Territorial Asset existing on the 1st May 1814, as things totally unconnected with the Account of Revenue and Charge, and as standing on a separate account, namely, the Debt account.

The Account with His Majesty's Government hereunto annexed, (No. 2.) is charged with the money payments of 1,717,172 *l.*, and shows a Balance in favour of the Company of 3,019,869 *l.*, which exceeds the capital and sinking-fund of the Loan in question by 2,697 *l.* The whole was a Territorial outgoing, but does not fall under the head of Ordinary Charge. On the other hand, the 2,112,113 *l.* was a Territorial Asset, but does not fall under the head of Ordinary Revenue. These sums are therefore included in the Account of "Deferred Items" hereunto annexed, and in the Account of Extraordinary Receipts and Disbursements above stated.

It may here likewise be observed, that the Account with His Majesty's Government is charged with 1,072,003 *l.* for the Extraordinary Expenses of St. Helena, which sum, deducted from 2,648,373 *l.*, the amount of all Territorial Supplies to the island from England and India, leaves 1,576,370 *l.* as its net charge from 1814 to 1829.

The Territorial Deficit of India, and all other Territorial outgoings, having been thus ascertained, the next point to be adverted to is the Amount of Cash received into the Indian Treasuries on account of Debt incurred.

The

* See Copy of Treasury Minute, &c. printed 22 June 1822.

The whole amount so received, from 1814 to 1829, was 17,289,864*l.*; and although, by a cession of territory to the King of Oude, 1,109,975*l.* of debt were cancelled, and by the application of surplus Commercial profits made available in India, 2,783,624*l.* were redeemed or placed in the names of Commissioners for the Redemption of Debt, the whole of the 17,289,864*l.* is properly brought to the Account of General Receipt and Expenditure above stated.

A Statement has been drawn out at the India House for the purpose of reconciling the above-mentioned sum of 17,289,864*l.* with the increase of debt (from cash transactions) deduced from a comparison of the Quick Stock Accounts of the 30th April 1814 and the 30th April 1829.

By this Statement, it appears that the Cash Debt of India on the 30th April		£.
1829, was	- - - - -	*45,209,921
On the 30th April 1814	- - - - -	27,704,911
Increase of Debt - - -		17,505,010
Deduct,		
Increase of Cash and Cash Assets,		£.
1829	- - - - -	7,914,748
1814	- - - - -	5,691,674
		2,223,074
		£. 15,282,936
The difference between the Debt Incurred and the Debt Paid Off, according to the Cash Account, is		17,289,864
Deduct,		£.
Oude Cancelled Loan, not included in the Quick Stock		1,109,975
Augmentation of Cash Balance		1,771,745
		2,881,720
Add,		14,408,144
The Amount by which the Debt Incurred has been reduced in the Cash View, in consequence of the deduction therefrom under the head of "Bills Outstanding," comprising principally unadjusted Expenditure		912,982
		£. 15,321,126

An indirect advantage to the Territorial, at the expense of the Commercial Branch, has resulted from the repayment in India of Territorial payments in England at rates of exchange considerably higher than those actually current. This advantage is estimated, in the Statement No. 2, page 111, appended to the First Report of 1830, at 5,154,135*l.*, exclusive of interest.

But that Statement proceeds upon the supposition that the advances in England, on account of the Territory, were uniformly drawn for at the rate of exchange current in London upon India.

It is not probable, however, that if the two branches had been really distinct and separate, and each had pursued its own interest in its own way, such would have been the course of proceeding. If, indeed, the difference between the rate of exchange current in London upon India, and the rate of exchange current in India upon London, for bills at 60 days sight, had never exceeded 12 months interest, or about 1½*d.* per rupee, the Statement would have been wholly unexceptionable; but this difference has occasionally been as high as 4*d.*, seldom, if ever, less than 2*d.*; and it is not easy to conceive upon what principle the advantage arising from the difference should be taken altogether on one side. The Act of 53 Geo. 3, c. 155, directs that a sum, equal to the actual payments which shall have been made from the Commercial funds at home shall be issued in India for the purpose of the Company's China or India investment; and the question is, what sum, in the currency of the one country is equal to a given sum in the currency of the other. If the current rate of exchange is to be considered as the criterion, there seems to be no sufficient reason for taking it in London rather than India. A difference of 2*d.* in the rupee in this respect would induce India to remit (in referring to the rate of exchange as the criterion, the possibility of effecting remittances through the medium of bills of exchange is assumed), rather than to be drawn upon; as, by so doing, an advantage would be obtained by India of about ¾*d.* in each rupee; if the difference were 3*d.* in the rupee, the advantage would be 1*d.* in each rupee. The probability is, indeed, that if the Company's Treasury were always open to the purchase and sale of bills in India and in England, the difference in question

* The Cash Debt of 45,209,921*l.*, outstanding on the 30th April 1829, includes 2,39,96,763*S. R.*, or 2,783,624*l.* under the Head of "Commissioners for the Reduction of the Company's Debt in India."

Appendix, No. 2.

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Company.

question would seldom exceed the interest on a rupee for the time the advance for the purchase of a bill in London would be realized by the remittance of a bill from India; and so long as that is the case, the question, whether to remit or to be drawn upon, would be a matter of indifference. But, on the same principle, the current rate of exchange would seldom deviate from the metallic par by more than half that interest, added to the expense of transmitting specie. The metallic par, deduced from a comparison of the quantity of fine silver represented by the respective denominations of the currencies of India and England, should seem therefore to be the closest approximation to the truth in a computation of this nature. And, as the English denomination of an ounce of standard silver was, on the average of the fifteen years ending on the 30th April 1829, at 5s. 3d. per oz.* the average metallic par for the same period was 24.956d. per sicca rupee. This exceeds the average of the Accountant General's computation by 1.481d. per rupee, which, on S. R. 26,68,54,106, the amount of payments made by the Territorial to the Commercial Branch in India, is 1,646,712 l. This sum, deducted from 5,154,135 l., leaves 3,507,423 l., the advantage derived by the Territory from the use of the Board's rates of exchange, exclusive of interest, from 1814-15 to 1828-29.

COMMERCIAL ACCOUNTS.

See Appx. No. 3.

THE Account, No. 1, of the Commercial Series of Accounts, printed for the Finance Committee, contains a statement of that part of the Company's property which was deemed to be strictly Commercial, as computed on the 1st May 1814. The balance in favour of the Company at that date was 19,268,738 l., exclusive of the Dead Stock in India, which amounted, as per returns received from thence, to 467,171 l.; together, 19,735,909 l.

It appears, however, by No. 4, of the same Series of Accounts, that certain adjustments, made since 1814, operated to reduce the assets which entered into this computation to the extent of 523,926 l., and made the estimated value of the Company's Commercial Property at that period, 19,211,983 l.

No. 3 is an Account of the whole Net Return of the Company's Commercial Capital in each year from 1814-15 to 1828-29, by investment in merchandize or otherwise, and shows the following results :

	£.
Profit on the China Trade, deducting Losses at Sea - - - -	15,414,414
Profit on the Management of Private Trade Goods - - - -	1,497,842
Profit at the Cape and in British North America - - - -	118,742
Profit on the Company's own Ships - - - - -	332,223
Interest on Annuities - - - - -	536,156
Interest on advances to the Territorial Branch - - - - -	1,536,078
Balance of Interest under other heads, and Profit on sale of Securities -	1,372,428
	20,807,883
Deduct Loss on India Trade, outward and homeward, including } Losses at Sea - - - - -	278,707
	20,529,176
Deduct Loss on Sunn Hemp, not included in the foregoing } Account (No. 4, Commercial Series) - - - - -	40,796
Total Commercial Profit realized by the Company } from 1814-15 to 1828-29 - - - - -	£. 20,488,379

Of this sum of 20,488,379 l., the application is stated to have been as follows :

	£.
Dividends to the Proprietors - - - - -	9,450,000
Interest on Home Bond Debt - - - - -	2,585,346
Applied to the service of the Territory - - - - -	4,923,021
Reduction of Home Bond Debt, viz.	
Bonds paid in on Sales - - - - - £. 471,600	
Bonds paid off - - - - - 334,399	
	805,999
	£. 17,764,366
	Leaving

* When the Mint was open to the Public for the coinage of silver, the English denomination of an ounce of silver $\frac{22}{10}$ fine, was 5 s. 2 d. But the Public have for nearly half a century been precluded from the coinage of silver at the Mint. The old Mint denomination of 5 s. 2 d. must, therefore, for any practical purpose, be regarded as though it had never been.

Leaving an unappropriated Surplus of Commercial Profits - - -	£.	2,724,013
To which, if there be added the computed Value of the Company's Commercial Property at the commencement of the period - - -		19,211,983
Should give the Value of the Commercial Property at the conclusion of the Period - - - - -	£.	21,935,966

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But the computed value of the Company's Commercial property on the 1st May 1829, including the Dead Stock in India, was 21,668,510 *l*.

The difference is accounted for in the Statement, No. 4, (Commercial Series), by which it appears that the stock on hand is estimated at its market value; and that the anticipated profit of the 1st May 1814 exceeded the anticipated profit of the 1st May 1829 by the sum of 291,550 *l*. This sum being allowed for, throws a difference of 24,064 *l*. to be accounted for to the other side of the account; which difference is explained in a memorandum to the Statement No. 4 (Commercial Series) above referred to.

Although this result of the Commercial operations of the Company is not established by this mode of statement upon principles strictly and indisputably accurate, it may reasonably be presumed to be a close approximation to the truth. There can be no doubt that 12,035,346 *l*. have been paid within the period in dividends to the proprietors, and in interest to the holders of East India Bonds; none that 4,923,021 *l*. have been applied to the service of the Territory; none that 805,999 *l*. of the Home Bond Debt have been discharged. The only point that can be questioned, then, is the remaining surplus of 2,724,013 *l*.; and of this surplus the Company acknowledge the existence at the period to which the account extends.

Assuming the perfect accuracy of the account of Profit and Loss, it shows the following results:

The average Profit of the India Trade for the first five years of the period in question was 364,693 *l*.

The average Loss of the India Trade for the second five years was 116,678 *l*., and for the third five years 303,757 *l*.

The average Profit of the China Trade for the first five years of the period was 1,525,799 *l*.; for the second five years, 875,432 *l*., and for the third five years, 625,910 *l*.

The average Profit on the India and China Trade, for the fifteen years, was 1,009,047 *l*. per annum, and of all other sources of Profit 359,564 *l*. per annum.

Of the Commercial Profits of the Company from 1814-15 to 1828-29, 4,923,021 *l*. have been directly applied to Territorial purposes, to the liquidation of Indian Debt, or in a manner that operated to the prevention of its increase.

Those Profits include the sum of 1,536,078 *l*., the amount of interest, at the rate of the Home Bond Debt, on advances from the Commercial to the Territorial branch. This sum of 1,536,078 *l*. is chargeable upon the Indian Revenue, but hitherto it has not been introduced into the Territorial Accounts; until it is so introduced, it cannot be regarded otherwise than as a virtual application to Territorial purposes of so much of the Surplus Commercial Profit of 2,724,013 *l*. above-mentioned.

The Board have lately determined that Interest upon the Surplus Profits remaining in the Company's hands shall be deducted from the 1,536,078 *l*. The reduction consequent on this determination has precisely the same effect as would have resulted from the specific appropriation to the Territory of so much Surplus Commercial Profits as is equal to the difference between the Board's balance of Interest, and that resulting from the principle of calculation adopted by the Court.

It is not within the scope and intention of the present Report to inquire into the relative positions of the two branches of the Company's affairs antecedently to the commencement of the present Charter.

It may not, however, be altogether useless to observe, that all the Statements which have heretofore been drawn out with a view to this inquiry differ materially from each other, as well in point of principle as in their details and results; and show the extreme difficulty, or rather the impossibility, of arriving at any certain conclusion, upon a point of which the accounts from which the Statements are drawn do not afford either the perfect illustration or the proof.

In order to show the insufficiency of those Statements for the objects which the framers of them had in view, little more is necessary than to compare them with each other.

The first is that contained in the Third Report of 1811-12:

This, "by stating on the one side the advances made by India for the immediate account of England, and on the other side the disbursements made by England for the immediate account of India," shows a balance in favour of England, from 1792-3 to 1808-9, of 1,629,701 *l*.

The next is Mr. Langton's Statement, p. 262, *et seq.* Rep. 1831:

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This proceeds upon a principle very different from that of the former. On one side of this Statement is placed the amount derived from Revenue, Loans, &c.; on the other, the charges and other outgoings paid in India and in England, and the annual augmentation of cash and bills in the Indian treasuries. Whatever cannot be otherwise accounted for is supposed to have been paid to, or received from, the Commercial Department. But as in the early part of the 17 years which his inquiries comprehend, the balance of supplies was greatly in favour of the Territory, he has drawn up an interest account at the Indian rates, between the two branches, the balance of which, on the 30th April 1809, is 5,175,490*l.* against Commerce.

The items of which Mr. Langton's Statement is composed, and those of the Third Report, are contrasted in the following Statement:

THIRD REPORT.	£.	MR. LANGTON.	£.
Money borrowed at interest between 1792-3 and 1808-9 - - - -	19,959,897	Money borrowed at Interest - - - -	19,959,857
Money received on deposit, &c. within the same period - - - -	945,297	Floating Debt - - - -	1,709,824
	20,905,194		21,669,721
Increase of Cash in the Indian Treasuries - - - - 5,614,494		Increase of Cash and Bills in the Indian Treasuries - - 5,564,644	
Increase of other Assets arising out of the foregoing funds, and not included in Charges 1,966,611		Treasure in <i>transitu</i> - - - 717,561	6,282,205
Treasure in <i>transitu</i> - - - 717,561	8,298,666		15,387,516
	12,606,528		
Due to the Commercial Department -	1,629,701	Due to the Commercial Department -	1,638,135
£.	14,236,229	£.	17,025,651
Excess of Political Charges in India from 1792-3 to 1808-9 - - - -	5,078,015	Excess of Charge in India - - - -	5,078,015
Advances on account of Ceylon, &c. not included in the Indian Charges - -	1,661,345	Advances on account of Ceylon, &c. -	1,661,345
Payments to the Creditors of the Nabob of Arcot and the Rajah of Tanjore -	1,122,997	Payments to the Creditors of the Nabob of Arcot and Rajah of Tanjore - -	1,122,997
Losses between the Presidencies, and increase of Dead Stock in India - -	1,534,831	Losses between the Presidencies and increase of Dead Stock - - - -	1,534,831
	9,397,188		9,397,188
Advances for supply of England - -	276,926	Bonds paid in England on account of the Nabob of Arcot and Rajah of Tanjore - - 232,194	
Further Debt to England, as follows:		Stores exported to the Presidencies Bencoolen and St. Helena, Appx. 35, 4th Rep. 6,033,165	
Balance of Supplies - £. 3,004,391		Sums paid in England, supposed Territorial - - 6,087,586	
Charges paid in England, supposed Territorial - - 6,193,049		Balance paid on Chinsurah cause - - - - 61,522	
	9,197,440		12,414,467
Deduct, Balance of Account received from His Majesty's Government - - - - 4,651,460*	4,545,980	Deduct, Balance received from Government - - - - 4,786,004	
Unaccounted for - - - -	14,220,094 16,135		7,627,863
£.	14,236,229	£.	17,025,651

* Debt to England - - - - - £. 4,545,980
Payments in India for Charges not added to Invoices - - 2,916,279

Leaving due to England - - - £. 1,629,701

The Balance in favour of the Commercial Department is stated in the Third Report to be 1,629,701 *l.*; Mr. Langton makes it 1,638,135 *l.*

This approximation is, however, quite accidental; for, in many important items, the two Statements are wholly dissimilar.

Mr. Langton makes the increase of the Floating Debt within the period 1,709,824 *l.*: in the Third Report it is stated to be 945,297 *l.* The difference arises from Mr. Langton having overlooked the consideration, that, of the above-mentioned sum of 1,709,824 *l.* the sum of 764,527 *l.* was not money received into the Treasury, and therefore an available asset, but consisted of arrears of allowances, &c. in the Civil and Military Departments, due but not paid.

Of the 20,905,194 *l.* received into the Indian Treasuries, 1,966,611 *l.* were paid, according to the Third Report, for assets, the outlay for which is not included in the Indian Charges: of this application of part of the funds Mr. Langton takes no notice. Of those funds 3,193,205 *l.* were, according to the Appendixes 26 and 27, Third Report, disbursed on account of the Commercial Branch: Mr. Langton makes the advances and disbursements in India on the same account 5,989,733 *l.*

The Third Report says, that the sum of 4,822,906 *l.* was the Balance of Receipts and Payments in England on account of India: Mr. Langton makes this Balance 7,627,863 *l.*

Thus it appears that the two Statements are utterly irreconcilable with each other, and the approximation of the results, to which Mr. Langton has adverted in his Evidence, is purely accidental.

The two next Statements are those of Mr. Rickards and Mr. Wilkinson. These proceed upon a principle altogether different from that of either of the former. Mr. Langton, in his Evidence, says, that he considers Territory to be the only ostensible party in India, and as standing between the lender of money and Commerce, liable to the lender for principal and interest, but having a claim upon Commerce *pro tanto*. Mr. Rickards and Mr. Wilkinson, on the contrary, regard Commerce as the only ostensible party. The distinction, at first sight, may appear unimportant: in reality, however, it is not so. According to Mr. Langton's principle, the loss of interest occasioned by the necessity of constantly keeping a very large sum of money in the Indian Treasuries is sustained by the Territory. Mr. Rickards and Mr. Wilkinson fix this loss upon Commerce.

When it is necessary or expedient to advance a large sum of money in India on account of His Majesty's Government, Mr. Langton imposes the task of raising the necessary funds for that purpose upon the Territorial, Mr. Rickards and Mr. Wilkinson upon the Commercial Department. And whatever claims on this head are ultimately rejected by the King's Government, Mr. Langton allows, together with the consequent loss of interest, to remain as an outgoing and loss to the Territory; Mr. Rickards and Mr. Wilkinson as an outgoing and loss to the Commerce. In short, Mr. Langton makes Territory the banker to Commerce; Mr. Rickards and Mr. Wilkinson makes Commerce the banker to Territory.

The latter, therefore, might, with perfect consistency, allow that Mr. Langton's account would be in the main correct, if he would charge to Commerce, and take credit to Territory, for the following sums, together with interest thereon, at the Indian rates, to the 30th April 1809, as having been paid on account of the Company's Trade.

Advances for the capture and maintenance of Ceylon and the Eastern Islands, not included in the Indian charges	£.
Payments to the creditors of the Nabob of Arcot and the Rajah of Tanjore	1,661,345
Difference between the debits and credits of the different Presidencies	1,122,9
Losses at the several Presidencies	£.
Increase of Dead Stock in India, purchased by Indian funds	873,403
	461,428
	200,000
	1,534,831
Bonds paid in England to the creditors of the Nabob of Arcot and the Rajah of Tanjore	232,194
Stores exported to the Presidencies Bencoolen and St. Helena	6,033,165
Cash and Bills held by the Territorial on account of the Commercial Treasury	6,282,205
Deduct:	
Sums received from Government in liquidation of Advances	4,786,004
	£. 12,080,733

The difference between Mr. Langton and Mr. Wilkinson turns mainly upon the sums above-mentioned. The former treats the whole as a charge upon Territory, the latter regards the whole as a charge upon Commerce.

This sum of 12,080,733 *l.*, accumulating at compound interest at the Indian rates, would probably amount, in 1828, to 52,172,177 *l.*, or thereabouts, with which, according to Mr. Wilkinson, the Territory has been improperly burthened.

Mr. Wilkinson's Tables (A.) and (B.) are continued to the 30th April 1828. According to Table (B.), the Territorial Payments, including Interest, between 1808-9 and 1827-8, exceeded

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exceeded the Receipts by the sum of 16,576,570*l.* By the same Table it appears that the increase of Debt within that period was 16,947,711*l.** Upon this showing it cannot be alleged that Commerce received any assistance from Territory during those 19 years. The mischief must have been done, therefore, and the wrong committed, between 1794 and 1809; and if it could be conceded to Mr. Wilkinson that the loss of interest occasioned by the necessity of keeping, as well before as since the separation of Accounts in 1814, a large balance of cash in the Territorial Treasuries of India, ought to be sustained by the Commercial Branch, in addition to the loss resulting from the dormant balances in the Commercial Treasuries of India and the Treasury at home; if it be further conceded to him, that the advances for the capture of Ceylon and the Eastern Islands, the payment to the Creditors of the Nabob of Arcot and the Rajah of Tanjore, the increase of dead stock in India, and the differences in the Accounts between the different Presidencies, amounting altogether to between four and five millions, were a charge upon the Company's Trade, it might be admitted that, though there are mistakes and omissions in his Statements, he has succeeded in making out his main position, namely, that the Debt of India has been mainly incurred in support of the Company's Commerce.

But these concessions cannot be made. The payments above-mentioned, and the necessity of having constantly a floating balance of six to eight crores in the Territorial Treasuries of India, originated in Territorial and Political causes, and not in the wants of Commerce. Those payments and that necessity are quite sufficient to account for the increase of the Indian Debt since 1793, without supposing that any part of its produce has been applied to the augmentation of the Company's Commercial property. The augmentation of that property since 1793 appears to have resulted from the gradual accumulation of Commercial profit, together with the increase of subscribed capital at that time authorized.

India Board,
20th July 1832.

James Pennington.

ACCOUNTS REFERRED TO.

BALANCES.

	£.		£.
Revenue and Charge, No. 1 - - -	18,410,141	Supplies to and from London, No. 4 - - -	4,580,197
Commercial Branch, No. 3 - - -	1,543,619	Debt incurred - - - - -	17,289,864
His Majesty's Government, No. 2 - - -	3,019,869	Deferred Items, No. 5 - - - - -	3,587,076
Differences between the Presiden- cies - - - - -	421,795		
Ditto at Madras - - - - -	289,968		
	711,763		
Assets, increase of Cash - - - - -	1,771,745		
	£. 25,457,137		£. 25,457,137

No. 1.—REVENUE AND CHARGE.

	£.	By Balance, Indian Surplus, viz.	£.
To Subordinate Settlements; Expense of Bencoolen and Prince of Wales's Island -	2,072,287	Bengal surplus - - - - -	28,374,534
To St. Helena; Net Charge, including all supplies from England and India - - -	1,576,370	Madras deficit - £. 3,086,384	
To Commercial Branch; Sundry payments in England, exclusive of Pay-office demands	13,074,703	Bombay ditto - 15,983,739	19,070,123
To Ditto; Political Stores - - - - -	7,316,594		9,304,411
To Ditto; Pay-office claims since 1822, paid in cash - - - - -	1,368,610	Deduct, Unadjusted Military Advances at Bombay, considered as a charge - - - - -	240,123
To His Majesty's Government; Pay-office claims 1814 to 1822 - - - - -	2,065,805		9,064,228
	£. 27,474,369	By Balance - - - - -	18,410,141
			£. 27,474,369

* Mr. Wilkinson has fallen into the same mistake as Mr. Langton with regard to the arrears of allowances, &c. included in the floating debt.

SUBORDINATE SETTLEMENTS.

To Balance; Supplies to Bencoolen and Prince of Wales's Island - - -		£.	By Commercial Branch:		£.	£.
		2,447,321	Supplies to Commerce at Bencoolen - - -		338,651	
			Prince of Wales's Island - - -		36,383	
			By Revenue and Charge - - -			375,034
		2,447,321				2,072,287
					£.	£.
						2,447,321

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To Commercial Branch:		£.	£.	By His Majesty's Government - - -		£.
Miscellaneous Expenses paid in London - - -		109,903		By Ditto - - - - -		950,927
Territorial Stores from England		919,180		By Commercial Branch; Supplies to Commerce - - - - -		121,076
Ditto, from China and the Cape		339,005				13,948
Bullion from London - - -		87,713		By Revenue and Charge - - - - -		1,576,370
Bills on London - - -		1,005,830				
			2,561,631			
To Supplies from India - - -			100,690			
		£.	2,662,321		£.	2,662,321

No. 2.—HIS MAJESTY'S GOVERNMENT.

To Deferred Account; balance due 1st May 1814 - - - - -		£.	By Revenue and Charge; Pay-office claims 1814 to 1822 - - - - -		£.
		2,112,113	By Supplies, London; Bills remitted to the Company - - - - -		2,065,805
To Supplies to and from London; Balance of Disbursements in India - 1,362,015					1,362,015
		1,869,238			
		3,231,253	By ditto; other payments to the Company - - - - -		£.
To Commercial Branch; Proceeds of Cinnamon since 30 April 1822 - - - - -		29,054			739,219
To St. Helena; Extra expenses - - - - -		950,927	By Cash - - - - -		691,537
To ditto - - - ditto - not brought forward in 1822 - - - - -		121,076	By Molucca Spices - - - - -		634,031
To Commercial Branch; Cash Payments on account of Loan of 1812 - - - - -		1,717,172	By Spices since 1822 - - - - -		159,805
					2,224,592
			Deduct Payments by the Company:		
			Disbursements in		
			England - - - - -		332,490
			Freight of Stores - - - - -		16,027
			Proceeds of Spices - - - - -		254,979
					603,496
					1,621,096
			By Supplies, London; Bullion from China		23,628
			By Deferred Account; Miscellaneous Claims, Rep. 1831, p. 759 - - - - -		34,176
			By ditto; Demands of Government, prior to 1829, adjusted since - - - - -		35,006
			By Balance - - - - -		* 3,019,869
Balance - - - - -		£.			£.
		8,161,595			8,161,595

* Balance - - - - - £. 3,019,869
 Loan of 1812 - - - - - 3,017,172
 Short Adjustment - - - - - £. 2,697

No. 3.—COMMERCIAL BRANCH.

To Balance of Supplies to the Commercial Branch in India - - - -	£. 30,364,290	By Supplies to and from London: £.	
To Subordinate Settlements:		Bills drawn for effects of deceased Officers	428,013
Supplies to Commerce at } £. 338,651		By ditto, Bills included in London Political Charges general, being payments made in England for principal and interest of loan property, in cases where the transmission of Bills of Exchange to the parties has been delayed -	41,438
Bencoolen - - - -		By ditto, Carnatic fund £. 1,685,051	
Prince of Wales's Island - 36,383	375,034	Advances to Civil and Military Funds recovered - 1,117,846	
To Deferred Account; Short debit for Supplies - - - -	129,919	Iron Bridge - - - - 28,918	
To St. Helena; Commercial Supplies - -	13,948	Annuities to Civil Servants 25,343	
			2,857,158
		Less,	
		Miscellaneous advances and disbursements, including Lord Clive's Fund - -	188,917
			2,668,241
		By Deferred Account:	
		Short credit, Civil and Military Funds - - - -	3,657
		Over Debit, Lord Clive's Fund, &c. - - - -	124,627
		Bills drawn from Bencoolen and Prince of Wales's Island - - - -	17,597
			145,881
		Deduct,	
		Over credit, Carnatic Fund - - - - £. 5,064	
		Iron Bridge - - - - 3,779	
		Annuity Fund - - - - 2,922	
			11,765
			134,116
		By St. Helena:	
		Miscellaneous expenses paid in London - - - -	109,903
		Territorial Stores from England - - - -	919,180
		Ditto from China and the Cape - - - -	339,005
		Bullion from London - - - -	87,713
		Bills on London - - - -	1,005,830
			2,561,631
		By Revenue and Charge:	
		Sundry Payments in England, exclusive of Pay-office demands - - -	13,116,141
		Deduct,	
		Bills included in Political Charges general, credited above - - - -	41,438
			13,074,703
		By ditto, Pay-office claims since 1822, paid in cash - - - -	1,368,610
		By ditto, Political Stores - - - -	7,316,594
		By His Majesty's Government:	
		Payment on account of loan of 1812 -	1,717,172
		By ditto, for proceeds of Cinnamon since 30th April 1822 - - -	29,054
		By Balance - - - -	1,543,619
£. 30,883,191		£. 30,883,191	

No. 4.—SUPPLIES TO AND FROM LONDON.

		£.			£.
To Deferred Account: Bills not due 1st May 1829	- - - - -	1,152,966	By Balance - - - - -	- - - - -	9,041,717
To ditto - - Treasure, per Stirling Castle	- - - - -	324,015	By Deferred Account: Difference of exchange on Bills drawn	- - - - -	213,515
To Commercial Branch: Bills drawn for effects of deceased Officers	- - - - -	428,013	By ditto - - Bills drawn before 1814	- - - - -	1,396,913
To ditto - - Bills charged in London, Political Charges general	- - - - -	41,438	By ditto - - Loss on consignment of Treasure	- - - - -	612,184
To His Majesty's Government: Bullion from China	- - - - -	23,628	By His Majesty's Government: Balance of Disbursements in India £. 1,362,015	- - - - -	1,869,238
To Commercial Branch: £.					3,231,253
Carnatic Fund	- - - - -	1,685,051	By Commercial Branch: Miscellaneous Advances and Disbursements, including Lord Clive's Fund	- - - - -	188,917
Advances, Civil and Military, funds recovered	- - - - -	1,117,846	By Deferred Account: Charges on Bullion	- - - - -	5,067
Iron Bridge	- - - - -	28,918	By ditto - - Balance of payment for spices	- - - - -	37,735
Annuities to Civil Servants	- - - - -	25,343	By ditto - - Difference in Bills	- - - - -	9,438
		2,857,158			
To Deferred Account:					
Copper coins	- - - - -	28,284			
Stamp, Bhurtpore Prize	- - - - -	25,630			
Private Certificates	- - - - -	14,290			
Less, Charter-party and other Payments	- - - - -	11,613			
		2,677			
Family remittances, Bombay	- - - - -	1,205			
Miscellaneous	- - - - -	32,235			
		90,031			
To ditto - - Surplus Profits	- - - - -	2,256,182			
To His Majesty's Government: Bills remitted	- - - - -	1,362,015			
To ditto - - other Payments to the Company	- - - - -	739,219			
Cash	- - - - -	691,537			
Molucca spices	- - - - -	634,031			
Spices since 1822	- - - - -	159,805			
		2,224,592			
Deduct Payments by the Company:					
Disbursements in England	- £. 332,490				
Freight of stores	- 16,027				
Proceeds of spices	- 254,979				
		603,496			
		1,621,096			
To Balance	- - - - -	10,156,542			
		4,580,197			
		£. 14,736,739			
					£. 14,736,739

No. 5.--DEFERRED ITEMS.

	£.		£.
Difference of Exchange between the Board's Rates, and the Rates at which Bills were actually drawn - - -	213,515	Treasure per Stirling Castle, shipped before 1st May 1814 - - -	324,015
Bills drawn in India before 1st May 1814, which became due in London after that date - - - - -	1,396,913	Items credited by India, not charged by London : viz.	
Loss on consignment of Treasure :		Copper Coins - - - £. 28,284	
Cost, at the Board's Rates £. 3,855,003		Bhurt pore Prize Stamp - 25,630	
Produce in England - - 3,242,819		Private certificates 14,290	
	612,184	Deduct,	
Difference between the Debits and Credits of London and India, in the following items :		Charter-party, and other Payments - 11,613	2,677
Short credit by India, Civil and Military Funds - - - 3,657		Family remittances, Bombay 1,205	
Over debit, Lord Clive's Fund, &c. - - - - 124,627		Miscellaneous - - - 32,235	
Bills drawn from Bencoolen and Prince of Wales's Island - 17,597			90,031
	145,881	Short debit of Supplies to the Commercial Branch - - - - -	129,919
Deduct,		Surplus Profits - - - - -	2,256,182
Over-credit, Carnatic Fund - - - 5,064		His Majesty's Government, Balance due 1st May 1814 - - - - -	2,112,113
Ditto, Iron Bridge - 3,779		Bills not due 1st May 1829 - - -	1,152,966
Ditto, Annuity Fund 2,922	11,765		
	134,116		
Miscellaneous claims of His Majesty's Government, Rep. 1831, p. 759 - -	34,176		
Demands of Government prior to 1829, adjusted subsequently - - -	35,006		
Charges on bullion - - - -	5,067		
Balance of payment to Government for spices, (No. 9, Commercial Series) - - - 292,714			
Allowed in account - - - 254,979			
	37,735		
Difference in amount of Bills debited and credited between India and London -	9,438		
	2,478,150		
To Balance - - - -	3,587,076		
	£. 6,065,226		£. 6,065,226

— No. 6. —

DEBT.

By Balance - - - - £. 17,289,864

DIFFERENCES BETWEEN THE PRESIDENCIES.

To Balance - - - - - £. 421,795

	ASSETS.	£.
To Balance, Cash - - - -	- - - -	1,771,745
Madras - - - -	- - - -	289,968
		£. 2,061,713

No. 7.—REVENUES and CHARGES of *Bengal* from 1814-15 to 1829.

	REVENUES.	CHARGES.	SURPLUS.	DEFICIT.
	£.	£.	£.	£.
1814-15 - -	11,237,498	8,876,581	2,360,917	
1815-16 - -	11,415,799	9,487,638	1,928,161	
1816-17 - -	11,967,259	9,796,974	2,170,285	
1817-18 - -	11,769,552	10,281,822	1,487,730	
1818-19 - -	12,399,475	10,677,015	1,722,460	
1819-20 - -	12,224,220	10,826,734	1,397,486	
1820-21 - -	13,518,968	10,688,439	2,830,529	
1821-22 - -	13,361,261	10,356,409	3,004,852	
1822-23 - -	14,169,691	10,317,196	3,852,495	
1823-24 - -	12,950,308	10,912,710	2,037,598	
1824-25 - -	13,484,740	12,620,179	864,561	
1825-26 - -	13,121,282	13,973,499	- - -	852,217
1826-27 - -	14,767,238	13,405,152	1,362,086	
1827-28 - -	14,944,713	13,486,879	1,457,834	
1828-29 - -	14,789,979	12,040,222	2,749,757	
£.	196,121,983	167,747,449	29,226,751	
Deduct Deficit - - -			852,217	
TOTAL Net Revenue - - -	£.		28,374,534	

No. 8.—REVENUES and CHARGES of *Madras*.

		REVENUES.	CHARGES.	SURPLUS.	DEFICIT.
		£.	£.	£.	£.
1814-15	- -	5,322,164	5,189,412	132,752	—
1815-16	- -	5,106,107	5,261,404	-	155,297
1816-17	- -	5,360,220	5,142,553	217,667	—
1817-18	- -	5,381,307	5,535,816	-	154,509
1818-19	- -	5,361,432	6,006,420	-	644,918
1819-20	- -	5,407,005	5,825,414	-	418,409
1820-21	- -	5,403,506	5,700,466	-	296,960
1821-22	- -	5,557,028	5,500,876	56,152	—
1822-23	- -	5,585,209	5,229,202	356,007	—
1823-24	- -	5,498,764	6,398,856	-	900,092
1824-25	- -	5,440,742	5,789,333	-	348,591
1825-26	- -	5,714,915	6,056,967	-	342,052
1826-27	- -	5,981,681	5,634,322	347,359	—
1827-28	- -	5,347,838	6,188,127	-	840,289
1828-29	- -	5,575,049	5,670,183	-	—
£.		82,042,967	85,129,351	1,109,937	4,196,321
Deduct Surplus - - - - -					1,109,937
TOTAL Net Charge - - - £.					3,086,384

Appendix, No. 2.

Report on the
Financial Accounts
of the East India
Company.

No. 9.—REVENUES and CHARGES of *Bombay*.

	REVENUES.	CHARGES.	SURPLUS.	DEFICIT.
	£.	£.	£.	£.
1814-15 - -	857,080	1,717,144	- - -	860,064
1815-16 - -	872,046	1,986,444	- - -	1,114,398
1816-17 - -	895,592	1,946,118	- - -	1,050,526
1817-18 - -	1,392,820	1,956,527	- - -	563,707
1818-19 - -	1,720,537	2,597,776	- - -	877,239
1819-20 - -	2,161,370	3,204,785	- - -	1,043,415
1820-21 - -	2,438,960	3,299,170	- - -	860,210
1821-22 - -	2,883,042	3,667,332	- - -	784,290
1822-23 - -	3,372,447	4,275,012	- - -	902,565
1823-24 - -	2,789,550	3,264,509	- - -	454,959
1824-25 - -	1,785,216	3,305,982	- - -	1,520,766
1825-26 - -	2,262,393	4,032,988	- - -	1,770,595
1826-27 - -	2,618,549	4,000,552	- - -	1,382,003
1827-28 - -	2,579,905	4,062,566	- - -	1,482,661
1828-29 - -	2,357,463	3,673,804	- - -	1,316,341
£.	30,986,970	46,970,709	Total Net } Charge - } £.	15,983,739

No. 10.—PARTICULARS of TERRITORIAL PAYMENTS in *England*, chargeable on the Revenues of *India*, from 1814-15 to 1828-29, inclusive.

Officers' pay - - - - -	£.
3,020,740	
Passage of military, and supplies to them on the voyage - - -	1,025,485
Political freight and demorage, exclusive of amount charged on exports - -	1,649,699
Interest on loan of £. 2,500,000 from the Public in 1812 - - -	790,813
Political charges general, exclusive of advances recoverable in India - -	4,460,370
Payments at China and the Cape to military officers, His Majesty's navy, &c. -	109,833
Sundry expenses on account of Bencoolen - - - - -	246
Ditto - - ditto - - - Prince of Wales Island - - - - -	9,889
Demands of Pay-office General, on account of King's troops serving in India:	
Paid in cash - - - - -	1,368,610
Passed in account with His Majesty's Government - - -	2,065,808
	3,434,415
Retiring pay, pensions, &c. of King's troops - - - - -	420,002
Tanjore debts, charges of the commission - - - - -	7,324
Off-reckoning funds - - - - -	1,330,880
Expense of naval force employed in India - - - - -	44,749
Civil establishment of India, absentee allowance and passage money - -	80,229
Amount paid under arrangement entered into with the government of Persia -	124,444
£.	16,509,118

—No. 11.—

	Revenues of Bengal, Madras, and Bombay.	Charges of Bengal, Madras, and Bombay, including Interest.	Indian Surplus.	Net Supplies to Bencoolen, Singapore, Prince of Wales, Island, and Malacca.	Net Charge of St. Helena.	Remaining Indian Surplus.	Cost of Political Stores.	Other Territorial Payments.	SURPLUS REVENUE.	SURPLUS CHARGE.	
	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	
1814-15	17,416,742	15,783,137	1,633,605	134,727	92,087	1,406,791	405,238	1,076,884	-	102,992	1814-15.
1815-16	17,393,952	16,735,486	658,466	103,975	97,705	456,786	27,661	1,124,636	-	1,039,546	1815-16.
1816-17	18,223,071	16,885,645	1,337,426	116,878	97,705	1,122,843	363,496	983,700	-	369,005	1816-17.
1817-18	18,543,679	17,774,165	769,514	177,648	97,705	494,161	8,200	1,007,335	-	792,665	1817-18.
1818-19	19,481,444	19,281,211	200,233	102,828	97,705	[Surplus Charge, 300]	497,203	1,064,505	-	1,380,059	1818-19.
1819-20	19,792,595	19,856,933	[Surplus Charge, 64,338] Surplus Revenue, 1,673,359	145,571	97,705		10,945	1,081,093	-	1,761,664	1819-20.
1820-21	21,361,434	19,688,075		122,835	97,705	1,452,819	275,039	970,458	117,262	-	1820-21.
1821-22	21,801,331	19,524,617	2,276,714	156,300	97,705	2,022,709	4,452	1,081,965	610,698	-	1821-22.
1822-23	23,127,347	19,821,410	3,305,937	208,244	120,093	2,977,600	312,181	862,999	1,743,139	-	1822-23.
1823-24	21,238,622	20,556,075	682,547	121,906	112,268	448,373	3,073	891,973	-	847,091	1823-24.
1824-25	20,710,698	21,715,494	[Surplus Charge, 1,004,796] [2,964,864]	190,827	109,449	[Surplus Charge, 1,305,072] [Surplus Charge, 3,127,357]	371,412	1,236,892	-	2,961,147	1824-25.
1825-26	21,098,590	24,063,454		52,080	110,413		1,545	1,076,504	-	4,953,918	1825-26.
1826-27	23,367,468	23,040,026	327,442	167,035	114,500	45,907	364,714	1,076,504	-	2,396,320	1826-27.
1827-28	22,872,456	23,737,572	[Surplus Charge, 865,116] Surplus Revenue, 1,338,282	100,864	120,571	[Surplus Charge, 1,086,551]	497,203	1,318,102	-	3,151,144	1827-28.
1828-29	22,722,491	21,384,209		170,569	113,054	1,054,659	275,039	1,255,125	-	927,629	1828-29.
£.	309,151,920	299,847,509	9,304,411	2,072,287	1,576,370	5,655,754	14,883	16,549,973	2,471,099	20,683,180	
						£.					
						18,212,081				2,471,099	
						42,123				£.	
						18,169,958				18,212,081	
						240,183					
						18,410,141					
						TOTAL NET CHARGE - - - £.					

(The Words and Figures between [] were in Red Ink in the MS.)

Military Advances outstanding at Bombay - - -

TOTAL NET CHARGE - - - £.

II.
FINANCE.MEMORANDUM ON THE FINANCES OF INDIA, REFERRED TO IN THE
FOREGOING REPORT.

Appendix, No. 2.
—
Memorandum on
the Finances of
India.

IN an inquiry concerning the Financial Affairs of the East India Company, it is not necessary, with reference to the points which it is at present intended to consider, to carry back that inquiry to a very remote period. With respect to one important consideration it may, however, be observed, that whether, previously to the year 1793, the Company's Trade benefited at the expense of the Territory, or the Territory at the expense of the Trade, the advantage obtained by the one cannot now be so clearly and indisputably established, as to constitute, on that ground alone, a precise and definite charge against the other. To lay open the accounts of that remote period, and to renew the discussion of a question with respect to which certainty is not now attainable, would, therefore, with a view to the settlement of that question on the ground of a clearly ascertained account, be an useless inquiry. Such an adjustment, whenever it shall be deemed necessary, must, it is to be apprehended, be made upon other grounds and considerations than those of a financial statement, which, however high the authority from which it emanates, is open to objection and incapable of proof.

From 1793 to 1814 the case is in some respects different. The 53 Geo. 3, s. 64, directed that all Territorial receipts and disbursements should be kept distinct from those purely Commercial. A plan of arrangement for the accomplishment of this object was submitted by the Court of Directors to the Commissioners for the Affairs of India soon after the passing of the Act, and, with certain amendments, finally approved. Upon that occasion, however, the division and apportionment of debts and assets do not appear to have been made, either absolutely or conditionally, upon any distinct and intelligible principle. Hence it becomes necessary to enter into some investigation of the Company's affairs during the intervening period: that is, from 1793 to 1814.

One of the principal objects of the Parliamentary Committees of 1811 and 1812 appears to have been to account for the unfavourable variation of the Company's affairs from 1792-3 to 1809-10. The Third Report confines this inquiry to the receipt and application of funds in India. According to a Statement (No. 26) appended to that Report, the extraordinary funds received into the Indian treasuries, within that period, amounted to 52,309,424 *l.*, the outgoings to 52,293,289 *l.*, leaving a difference to be accounted for of 16,135 *l.* The Fourth Report extends the inquiry to all the Company's affairs, domestic as well as foreign; and, by an adjustment of debts and assets, shows a deterioration of the Company's affairs, from 1793 to 1810, of 11,020,566 *l.* This it is attempted to account for by a statement of cash disbursements in Appendix No. 51.

It was not the object of these inquiries to ascertain, by a searching and accurate valuation of assets, what, at that time, was the actual condition of the Company's affairs. The problem proposed to be solved related solely to the receipt of all funds, of whatever description and from whatever source arising, into the several treasuries, and the subsequent application of them. In this view, a debt due to the Company, whether good or bad, was obviously, if it originated in a direct application of part of the funds to be accounted for, either to be considered as an asset, or written off and added to the charges. On the other hand, no debt due to the Company, nor any portion of existing stock, was to be so considered, unless that debt or the cost of that stock originally constituted a portion of the funds to be accounted for.

The accuracy of a statement made upon this principle obviously depends upon the correctness of the adjustments, and the correct introduction into it of every possible item of receipt and expenditure. But in such a process, as there is no check, there can be no certainty. The difference of 55,192 *l.* noted at the end of the statement, may possibly be the result of errors and omissions of considerable magnitude on both sides of the account. After all the care and all the industry employed upon that occasion, it is not however to be expected that a more satisfactory result up to that period can now be obtained.

3d Rep. App. No. 2.
4th Rep. App. No.
59.

Among the accounts which formed the basis of this Statement, and which are appended to the Fourth Report, are two of "stock by computation" for 1793 and 1810; the former exhibits a balance in favour of the Company, exclusive of their capital stock, of 1,956,866 *l.* This balance includes 951,561 *l.* of revenue balances not received, and 1,150,172 *l.* arrears of allowances, &c. due in the civil and military departments not paid. It likewise includes 840,000 *l.*, the estimated profit on goods in the warehouses. These items (being matters of future revenue and of future charge) and 1,742,022 *l.* the amount of debts allowed to be bad, should be introduced into the account of stock to show its actual condition at that period. When introduced, a balance is shown against the Company, on the 30th April 1793, of 426,545 *l.*; to which is to be added 443,632 *l.* for sundry claims on Government, written off under directions of Act 33 Geo. 3, c. 52, s. 127, making 870,177 *l.*

The

The account of stock by computation for 1810, although differing materially from that laid before Parliament on the 18th April 1810, was, it may be presumed, carefully examined and accurately adjusted. It exhibits a balance against the Company, exclusively of their capital stock, of 6,025,595*l.*, from which is to be deducted 715,561 *l.* the amount of treasure in transitu between Madras and Bengal, not included in the quick stocks of either place, leaving a balance of 5,309,944*l.* This balance includes 1,798,940*l.* revenue balances not received, and 191,469*l.* arrears of allowances, &c. not paid. It likewise includes 1,800,000*l.* the estimated profit on goods in the warehouses. These items, and 2,617,025*l.*, the amount of bad debts in India, when introduced into the account of stock, show a balance, on the 30th April 1810, against the Company of 9,611,310*l.* This is after taking credit for 960,000*l.* for stores supplied to Government, advances, &c.; which sum of 960,000*l.*, being wholly objectionable, and not likely to be realized, may be added to the above-mentioned sum of 9,611,310*l.*, making 10,571,310*l.*

Appendix, No. 2.
Memorandum on
the Finances of
India.

In order to make a distinct division and apportionment of debts and assets, either conditionally or absolutely, between the two branches of the Company's affairs in 1814, it was necessary, at that period, to have traced this state of the Company's stock in 1810, through the intervening occurrences, to its state at the commencement of the present Charter. This was not done. It seems to have been thought sufficient to direct that all future Territorial and Commercial receipts and payments should be kept distinct from each other, although the appropriation of some of those receipts and payments might, in a great degree, if not altogether, depend upon the principle on which the "stock by computation" was to be separated and apportioned.

As it will be convenient in this inquiry to follow the course suggested by the proceedings of the Legislature, this branch of it may be postponed to the consideration of the Territorial Finances of the Company since the 30th April 1814. It may, however, be observed, that the large augmentation of the Company's Commercial property, from 1793 to 1814, which must have resulted from the gradual accumulation of unappropriated profits, renders an explanation of the principle on which the separation of debts and assets at the latter period was conditionally made, peculiarly desirable.

There is this peculiarity in the Territorial finances of the East India Company, that having no common treasury in which the balance of all receipts and disbursements ultimately centres, the computed financial result of any given period cannot readily be checked and verified by a corresponding result in the balance of cash*. Nor is the difficulty arising from this circumstance removed by a statement of the receipts and disbursements of the separate treasuries; for with respect to those of India, a large amount of floating and unadjusted debits and credits between the different Presidencies, occasions a want of correspondence between the excess or the deficit of receipts and disbursements, and the increase or the diminution of the cash balances. It is true, indeed, that as the balance of those unadjusted debits and credits ought, at the termination of any given period, to agree with the amount at that time actually afloat, that balance may not improperly be considered as an outstanding debt if against, or an outstanding asset if in favour of, the consolidated treasuries, and all difficulty in adjusting the general balance in that way be obviated. The correctness of the amount thus outstanding ought, however, to be checked and verified by comparing it with the amount of the particular items known at the time to be actually afloat.

The Territorial receipts and payments in London cannot, however, be so dealt with. Credit is not given in the Indian books for all the charges paid in England, nor are the remittances to and from India so adjusted between India and London, as to make the debit on the one hand, and the credit on the other, exactly agree.

It is obvious, however, that unless the application of all funds of whatever description that have come into the treasuries be distinctly explained, no satisfactory result can be attained. A number of detached statements, drawn out with a view to illustrate particular objects of inquiry, although intended on the whole to include every item of receipt and disbursement, do not always, in their combined results, preclude all doubt as to the correctness of that result. One important item may, by chance, have been omitted, another twice inserted: nothing is certain, nothing proved. The labours of the Committee of 1811-12, in endeavouring, by a process of this kind, to account for the unfavourable variation of the Company's affairs between 1793 and 1810, led to a result which, although in many respects satisfactory, is by no means clear of uncertainty or free from objection. In examining the Territorial Finances of India since 1814, it is desirable to avoid, if possible, this source of uncertainty and error.

Of the Accounts annually presented to Parliament, there is one entitled "Abstract of the Receipts and Disbursements of the Presidencies of Bengal, Madras and Bombay," respectively

* The circumstance of there being two or more treasurers ought not, perhaps, to create any difficulty, nor would it, if it were not for the use of statements not properly balanced and carried forward.

FINANCE.

Appendix, No. 2.

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respectively. These accounts comprise all receipts and disbursements of whatever description, terminating, in each year, with the balance of cash in the treasury; which balance is regularly carried forward to a similar account for the following year, and form the basis of the books of account from which the account of the annual revenues and charges laid before Parliament is taken. Of themselves, and without reference to the general books of account, they avail but little; but when the several items they contain are arranged and classed under distinct heads, a clear account of ordinary receipts and disbursements is exhibited, which, as the difference between the two must exactly correspond with the difference between the balance of cash at the commencement and its balance at the conclusion of the year, precludes all fear of any omission or inaccuracy except in so far as relates to the correctness of the classification. The heads of account into which these abstract statements may be resolved are the following:

Revenue and Charge:

Debt incurred and paid off:

Account Current with London:

Account Current with the Commercial Branch:

Differences between the Debits and Credits at the different Presidencies:

Sale of Stores at Bengal.

The India accounts of Revenue and Charge do not agree with the statements annually laid before Parliament; the latter being made out upon a different principle. Many adjustments, therefore, are necessary to show their correspondence; but, as whatever adjustment is made, must, in a corresponding degree, affect some of the other heads of account, the adjustment can apply only to the question of classification.

The difference between the debt incurred and the debt paid off, should agree with the difference between the debt as it stood at the commencement, and the debt as it stood at the conclusion of the year. When this is not the case, one of two things may be inferred, either that the cash account is not correct, or that the account of debt is not correct. The former is not to be presumed: when such a discrepancy occurs, it is incumbent therefore on those who keep the account of the debt to explain and to remove it.

The Account Current with London exhibits a large balance against, that with the Commercial branch a large balance in favour of, the Indian treasuries. To produce an agreement between these accounts and that of India with London, is one of the principal difficulties with which the subject of the finances is beset.

The difference between the Debits and Credits of the different Presidencies arises in a great degree, if not altogether, from this circumstance: all the accounts throughout India being made up on the same day (the 30th April) it inevitably happens that considerable funds are on that day afloat between the different Presidencies; which funds are included in the accounts of one of them before it is possible to include them in either of the others. Treasure in transitu, and bills drawn or remitted a few days antecedently to the closing of the quick stocks, are of this description; for the amount of which credit is taken in the consolidated cash account at the conclusion of each year.

The small addition to the annual income, in the Bengal account, resulting from the sale of stores belonging to the Company, does not require particular notice.

The foregoing explanations are necessary to render intelligible the following Statement, which exhibits a summary view of the three Presidencies from the 30th April 1814 to the 30th April 1829.

	S. Rs.		S. Rs.
Cash in the Treasuries of the three Presidencies, 30 April 1814 -	4,70,75,29	Unadjusted debits and credits between the different Presidencies	67,59,996
Difference between debt incurred and paid off - - -	14,22,23,291	Differences in the balances of cash brought forward from year to year in the Madras and Bombay accounts - -	28,88,305
Commissioners for the redemption of debt - - - -	83,32,246	Supplies to the Commercial Branch in India - - -	25,72,31,744
Stores sold in Bengal - - -	18,42,451	Cash in the Treasuries of the three Presidencies, 30 April 1829 - - - -	6,40,93,012
Surplus Revenue - - -	3,55,62,338		
Account current London - -	9,59,37,438		
Sicca Rupees	33,09,73,057	Sicca Rupees	33,09,73,057

If the Territorial Finances of India terminated here, little more would be necessary than to require such an explanation of the Account Current with London, and of that with the Commercial branch in India, as would lead to an appropriation of the items they contain, or of their equivalents, to the account of Revenue and Charge, and to that of Debt incurred and

and paid off; and it would then be distinctly seen what have been the total receipts, what the total outgoings, what the debt incurred by loans and deposits, and when and to what extent the necessity of replenishing the Indian treasuries in that way existed.

But the Territorial Finances of India do not end here; the Accounts Current with London, and with the Commercial branch, are not adjusted in India, but in London; the claims for advances in England, which the Company, in its commercial character, has upon the territorial treasuries of India, are brought to account in London, without a corresponding adjustment being made in the Indian books. It is true, indeed, that an account between the "Territorial and the Commercial branches of the Company's affairs in respect to territorial and political payments made in England," has been stated; but that account is not in such a form as to show its correspondence with the Indian accounts; nor with such details and classifications, as to exhibit, under their several heads, what Territorial payments made in England remain, at the end of each year, to be added to the Indian charges, or brought into the account of the Indian debt.

The following Statement of the Indian Revenue and Expenditure for the year 1826-27, will serve more distinctly to show the nature of the adjustments which are required to be made.

The Receipts into the Indian Treasuries during the Years 1826-27 were as follows:

	S. Rs.	£.	£.
Bengal: Ordinary and Extraordinary	12,77,63,375 a' 2/3 $\frac{84}{100}$	14,820,551	
Madras - - - - -	4,81,83,715 a' 2/0 $\frac{2}{7}$	5,506,710	
Bombay - - - - -	2,29,91,332 a' 2/3	2,586,524	22,913,785
Bengal: Debt incurred - - -	1,45,26,343 a' 2/3 $\frac{84}{100}$	1,685,055	
Madras ditto - - - - -	7,20,849 a' 2/3 $\frac{2}{7}$	82,382	
Bombay ditto - - - - -	7,81,412 a' 2/3	87,909	1,855,346
Bengal: Balance of Supplies to and from London - - - - -	1,00,42,735 a' 2/3 $\frac{84}{100}$	1,164,957	
Madras - - ditto - - - - -	30,57,167 a' 2/3 $\frac{2}{7}$	349,390	
Bombay - - ditto - - - - -	17,04,916 a' 2/3	191,803	1,706,150
Political Stores sold at Bengal - - - - -	- - - - -	- - -	5,410
Receipts from all sources during the year 1826-27	- - -	£.	26,480,691
The Balances in the Treasuries on the 1st May 1826 were:			
Bengal - - - - -	- - - - -	3,375,480	
Madras - - - - -	- - - - -	3,046,700	
Bombay - - - - -	- - - - -	1,259,865	7,682,045
Making, with the Balance of Cash, an aggregate of	- - -	£.	34,162,736

The Expenditure for the same year was as follows:

Bengal: Disbursements, including	S. Rs.		
Interest on Debt and Supplies to Subordinate Settlements - - -	12,35,59,167 a' 2/3 $\frac{84}{100}$	14,332,863	
Madras - ditto - - - - -	5,17,78,254 a' 2/3 $\frac{2}{7}$	5,917,515	
Bombay - ditto - - - - -	3,56,04,319 a' 2/3	4,005,485	24,255,863
Bengal: Balance of Supplies to the Commercial Branch - - - - -	1,91,14,581 a' 2/3 $\frac{84}{100}$	2,217,290	
Madras - ditto - - - - -	19,70,890 a' 2/3 $\frac{2}{7}$	225,245	
Bombay - ditto - - - - -	9,25,004 a' 2/3	104,062	2,546,597
Differences between the Debits and Credits of the different Presidencies:			
Bengal - - - - -	- - - - - Cr - - -	1,758,272	
Madras - - - - -	- - - - - Cr - - -	217,247	
Bombay - - - - -	- - - - - Dr - - -	1,975,519	
		1,600,621	374,898
			27,177,358
			6,985,378
Leaving a Balance in the Indian Treasuries on the 30th April 1827, of - £.			34,162,736

FINANCE.

Or more compendiously, thus :

Appendix, No. 2.

Memorandum on
the Finances of
India.

							£.
Balance of Cash in the Indian Treasuries, 1 May 1826							7,682,045
Receipts :							£.
Debt incurred	-	-	-	-	-	-	1,855,346
Supplies from London	-	-	-	-	-	-	1,706,150
Sale of Stores	-	-	-	-	-	-	5,410
							3,566,906
							11,248,951
Revenue deficit	-	-	-	-	-	-	1,342,078
Surplus to Commerce	-	-	-	-	-	-	2,546,597
Differences between the Presidencies	-	-	-	-	-	-	374,898
							4,263,573
Treasury Balances, 30 April 1827							£. 6,985,378

The balances requiring adjustment are those of the Accounts Current with the Commercial branch and with London. The correspondence between the former and the credit given in the account between the Territorial and the Commercial branches in England, should, in each successive year, or by subsequent adjustments, be distinctly shown, and the balances of both accounts regularly brought forward.

The Account Current with London comprehends receipts and payments on account of His Majesty's Government, bullion remittances to and from India, and bills of exchange negotiated on either side, on account of the principal and interest of the Indian debts.

As all accounts between the Company and the Public were settled and closed up to the 30th April 1822, by a payment to the Company of 1,300,000 *l.*, the payments made on that account, between the 30th April 1814 and the 30th April 1822, over and above 1,300,000 *l.*, should, together with the 1,300,000 *l.*, be added to the Indian charges. If those payments, since 1814, fell short of 1,300,000 *l.*, the difference remains to be added to the Indian revenues; for, if the Territory be charged with whatever of the loan of 2,500,000 *l.* in 1812 remained unliquidated on the 30th April 1814, the Territory must take credit for whatever has been, or may still be, recovered on account of payments made on account of the King's Government antecedently to that period. Whatever have been the receipts and payments on this account since the 30th April 1822, have either been settled to some determinate period, or still remain open. In either case the amount may be adjusted in so far as relates to the Indian income and expenditure, and the balance due or alleged to be due from the King's Government carried forward.

The remaining items in the Indian Account Current with London can be disposed of only by comparing them with the corresponding items in the general books of account at the India House; ascertaining the differences, and carrying those differences, and the surplus Commercial profits hitherto appropriated, to the general account of Indian income and expenditure.

If in the account of revenue and charge, and of the increase and diminution of debt, the Home accounts had followed the same order as those of India, both being separately balanced, and the results aggregated rather than consolidated, the obscurity which at present exists, and the difficulty of obtaining a clear and satisfactory general result, would, it is likely, have been in a great degree if not altogether avoided. The statements of revenue and charge in the printed papers are no doubt in the main correct; but the results they exhibit cannot be made to square with the consolidated results of the Indian register and floating debt, the Indian cash accounts, the London account current between Territory and Commerce, and the amount of surplus Commercial profits hitherto appropriated.

It is evident that the difference between the amount of money borrowed and the amount of debt paid off within any given period, after deducting therefrom or adding thereto, the difference between the cash balance at its balance at the termination of that period, ought to correspond with the balance arising from all other receipts and disbursements. When this correspondence is shown, those other receipts and disbursements may, without the fear of any material item being either wholly omitted or doubly inserted, be given in such a form and with such details as are most suitable to the purpose and occasion for which they are required. Without an account of this kind, no distinct notion can be formed of the annual progress of the Indian debt, or of the probable wants of the Indian treasuries, or of the accuracy of the accounts laid before Parliament.

Appendix, No. 3.

I.—COMMERCIAL.

ACCOUNTS relating to the HOME CONCERN and the COMMERCIAL BRANCH.

No. 1.—View of the Component Parts of the Company's Commercial Capital, as computed on 1 May 1814 - - - - p. 28

No. 2.—View of the Component Parts of the Company's Commercial Capital, as computed on 1 May 1829 - - - - p. 30

No. 3.—An Account of the whole Net Return yielded by the East India Company's Commercial Capital, in each Year from 1814-15 to 1828-29, by investment in Merchandize, or otherwise, with the Amount of Dividends in the same period to the Proprietors of East India Stock, and the Surplus or Deficiency of such Return above or below the Amount of the Dividends; also showing the Amount applied in the same Years, from the Home Funds, to payment of Interest on the Bond Debt, and as Appropriations under the fourth Head of the 57th section of the 53 Geo. 3, c. 155, to Reduction of the Principal of that Debt, and of the India Debt * - - - - p. 32

No. 4.—Comparison of the Company's Commercial Capital, as computed at the two periods of 1814 and 1829; with an Explanation of the Amount of such Capital in the latter Year, relatively to that at which it appears in the former, particularly with reference to the Net Return which has been yielded, by its employment in Trade or otherwise, in the intervening period, as shown in No. 3 - - - - p. 36

No. 5.—Receipts and Payments of the Home Treasury, from 1 May 1814 to 1 May 1829, as contained in the Accounts annually presented to Parliament - - - - p. 38

No. 6.—Statement of Territorial Payments made by the Supracargoes at Canton, and Agent at the Cape of Good Hope, from 1 May

1814 to 30 April 1829, as collected from the Books of Account kept at those Places respectively - - - - p. 40

No. 7.—Statement of the Account between the Territorial and Commercial Branches of the Affairs of the East India Company, in each Year from 1 May 1814 to 1 May 1829; with an Appendix - - - - p. 42

No. 8.—Statement to show the Sources from which the Expenditure and Credits contained in the General Account Current between the Territorial and Commercial Branches (No. 7) have been derived - - - - p. 79

No. 9.—Particulars of the Account between the two Branches of the Company's Affairs (No. 2), in respect to Payments for Bills of Exchange drawn for Interest of India Debt, &c., and Provision of Funds to meet such Payments, under the 55th section of 53 Geo. 3, c. 155, drawn out so as to show the Balance upon this Account, without merging these Transactions yearly (by Transfer) in the Account No. 1 - - - - p. 80

No. 10.—Statement exhibiting and explaining, as far as can be done, the Difference between the Account of Issues in India to Commerce, under the 56th section of 53 Geo. 3, c. 155, as kept in India (in Receipt and Disbursement Statements), and the Account, with a similar object, kept in England, from 1814-15 to 1828-29, inclusive - - - - p. 82

No. 11.—Statement explaining, generally, the Difference of Result exhibited between the Account of "Supplies between India and London" as kept in India, and the Accounts in England, which it was intended should comprise the same Transactions - - - - p. 83

* An Account of this description was delivered in to the Select Committee of the House of Commons on East India Affairs of 1830, and appears on pages 32 and 33 of the Second Report of that year. That Account was incomplete only as respected some information, which, at the time of its preparation, had not been received from India, but which, being now received, that deficiency is supplied, and the complete result exhibited.

East India House, }
6 April 1832. }

— No. 1. —

COMMERCIAL CAPITAL, as computed on 1st May 1814.

C R E D I T S.				£.	£.
CASH :					
At home : Balance of Cash on 1st May 1814				695,860	
Abroad : Cash in the several Commercial Departments in India				£.	
Ditto in the Treasury at China				156,161	
Ditto in hands of the agent at the Cape of Good Hope				94,437	
				9,326	
				259,924	955,784
GOODS AND MERCHANDIZE :					
At home : Value of goods in England unsold, (market prices)				4,521,552	
Value of export goods unshipped				533,308	
				5,054,860	
Abroad : Goods and merchandize in the export warehouses in				£.	
India				1,150,483	
Ditto - for exportation at China				166,155	
				1,316,638	
Ditto - in the import warehouses in India				1,241,202	
Ditto - at China, import goods				6,544	
				1,247,746	
Ditto - at Cape of Good Hope, from India and China				47,230	
Ditto - at Batavia, from Europe				59,860	
				107,090	
				2,671,474	7,726,334
FLOATING PROPERTY AND FREIGHT ADVANCED THEREON :					
Cargoes afloat outward				1,493,162	
Consignments to Batavia in 1813-14, from England				101,286	
Cargoes afloat homeward				3,674,517	
Impress and war allowances, paid owners of ships not arrived in England				707,797	
					5,976,762
DEBTS DUE TO THE COMPANY :					
At Home : Amount of goods sold, not paid for: Company's				2,444,522	
Private Trade				400,000	
				2,844,522	
Board of Ordnance, for saltpetre				77,969	
Due from Government, for hemp				528,825	
Due from sundry persons, on loan				12,839	
				3,464,155	
Abroad : Debts owing to the Company in India, including advances for					
investment				866,760	
Ditto - - China				597,531	
Ditto - - Cape of Good Hope				50,399	
				1,514,690	4,978,845
DEAD STOCK (exclusive of Dead Stock in India and China) :					
Value of the East India House and warehouses				1,138,000	
Value of ships, sloops and vessels, exclusive of those stationed abroad				84,650	
					1,222,650
DEBT DUE FROM GOVERNMENT :					
East India Annuities, engrafted on the 3 per cent. reduced by Act 33 Geo. 3, c. 47					1,207,560
				£.	22,067,935

(Errors excepted.)

(signed)

T. S. Cabell,
Dep^y Acc^t Gen^l.

— No. 2. —

VIEW of the COMPONENT PARTS of the COMPANY'S

DEBTS.		£.	£.	£.
CURRENT DEBTS:				
At Home:	Bills of Exchange unpaid, from China and the Cape	- -	140,747	
	Customs on all goods sold and unsold	- - - -	2,013	
	Freight and demorage	- - - -	240,500	
	Supracargoe's commission	- - - -	60,890	
	Proprietors of Private Trade	- - - -	370,067	
	Consolidated Poplar Fund, including balance of prize money applicable thereto	- - - -	282,055	
	Fee Funds and Widows' Funds for the House and warehouses	- - - -	6,504	
	Warrants unpaid	- - - -	44,192	
	Teas returned by the buyers, and re-sold	- - - -	971	
	Dividends on stock	- - - -	48,407	
	Interest on Bonds provisionally, the charge being deemed by the Court to be Territorial, as per Letter to Board of Commissioners, of 10 March 1832	- - - -	30,126	
	Owing for export goods	- - - -	62,992	
	Due to the Trustees of the Deccan booty	- - - -	10,762	
			1,300,226	
Abroad:	Debts in the Commercial Department in India	- -	233,980	
	Debts owing in China	- - - -	197	
			234,177	
				1,534,403
Balance in favour				21,102,182

Memorandum.—The Dead Stock in India and China on 1 May 1829, in the actual occupation of the Commercial Department, not comprised in the above Debts and Credits, amounted, as per Returns received from thence, to the undermentioned sums; viz.

BUILDINGS.		Plate, Household Furniture, Plantations, Farms, Sloops, Vessels, Stores, &c.	TOTAL.
	£.	£.	£.
Bengal	380,266	22,569	402,835
Madras	39,592	20,287	59,879
Bombay	91,818	1,674	93,492
China	3,883	6,239	10,122
£.	515,559	50,769	566,328

Whatever part of the Dead Stock of the Company, existing in 1702 (valued at 400,000*l.* in Lord Godolphin's award) which remained on 1 May 1814, and which was not then in the occupation of the Commercial Department, having necessarily been created by an expenditure of commercial funds, would form an addition to the Dead Stock above stated.

£. 22,636,585

East India House,
6 April 1832.

(Errors excepted.)

(signed)

T. S. Cabell,
Dep^y. Acc^t Gen^l.

- - - - - No. 2. -

COMMERCIAL CAPITAL, as computed on 1st May 1829.

CREDITS.				
CASH AND INVESTMENT OF PROPERTY IN THE PUBLIC FUNDS:		£.	£.	£.
At Home: Balance of Cash on 1 May 1829	- - - - -	1,081,563		
Balances in hands of officers of the House and Warehouses, advanced for commercial purposes	- - - - -	48		
Value of Stock in the Public Funds belonging to the Company (market price)	- - - - -	-	1,081,611	
			760,942	
Abroad: Cash in the several Commercial Departments in India	- - - - -	318,870	1,842,553	
Ditto - Treasury, China	- - - - -	18,345		
Ditto - hands of the agent at the Cape of Good Hope	- - - - -	2,799		
Ditto - ditto - North American Colonies	- - - - -	3,562		
			343,576	
GOODS AND MERCHANDIZE:				2,186,129
At Home: Value of goods in England, unsold (market prices)	- - - - -	5,597,959		
Ditto, export goods unshipped, and advances on goods in preparation for exportation	- - - - -	172,602		
Abroad: Goods and merchandize in the export warehouses in India *	- - - - -	919,789	5,770,561	
Ditto, for exportation in China	- - - - -	368,568		
Ditto, in the import warehouses in India	- - - - -	60,118	1,288,357	
Ditto - ditto - China	- - - - -	2,198		
			62,316	
Ditto, at the Cape of Good Hope, from India and China	- - - - -	57,161		
Ditto, at the North American Colonies, from China	- - - - -	205,536		
			1,613,370	
FLOATING PROPERTY AND FREIGHT ADVANCED THEREON:				7,383,931
Cargoes afloat outward	- - - - -	-	522,408	
Ditto - homeward	- - - - -	-	2,813,252	
Impress paid owners of ships not arrived in England	- - - - -	-	92,957	
Consignments from China to the North American Colonies, afloat	- - - - -	-	92,555	
Remittances from British North American Colonies, in transitu	- - - - -	-	10,725	
				3,531,897
DEBTS DUE TO THE COMPANY:		£.	£.	
At Home: Amount of goods sold, not paid for: Company's	- - - - -	588,444		
Ditto - ditto - Private Trade	- - - - -	303,172		
			891,616	
Due from sundry persons on loan	- - - - -	-	6,333	
			897,949	
Abroad: Debts owing to the Company in India, including advances for investment *	- - - - -	1,279,423		
Ditto - China	- - - - -	44,237		
Ditto - Cape of Good Hope	- - - - -	3,508		
Ditto - North American Colonies	- - - - -	2,078		
			1,329,246	
BUILDINGS AND DEAD STOCK (exclusive of Dead Stock in India and China):				2,227,195
Value of the East India House, and warehouses	- - - - -	-	1,294,768	
Ditto of ships, sloops and vessels, exclusive of those stationed abroad	- - - - -	-	173,199	
				1,467,967
DEBT DUE FROM GOVERNMENT:				
East India Annuities engrafted on the 3 per cent., reduced per Act 33 Geo. 3, c. 47	- - - - -	-	-	1,207,560
BALANCE DUE FROM THE TERRITORIAL BRANCH:				
On account of territorial and political payments made in England since 1 May 1814, applicable to consignment or remittance to Europe, including the Amount of a Loan from the Company's commercial funds at the Cape, to the Colonial Government there, transferred for adjustment, in the Territorial Branch	- - - - -	-	-	4,631,906
			£.	22,636,585

* Under these two heads deductions have been made for items improperly continued as assets in the Indian Accounts, after the adjustment of the Sunn Hemp Account with his Majesty's Government.

— No. 3. —

AN ACCOUNT of the whole NET RETURN yielded by the East India Company's Commercial Capital in each Year, period to the Proprietors of East India Stock, and the Surplus or Deficiency of such Return above or below the Interest on the Bond Debt, and as Appropriations under the 4th Head of the 57th sec. of the 53 Geo. 3, c. 155,

	TOTAL Profit on Sales of Merchandise, India and China Trade, after replacing Cost and Charges of the Investment, and covering Losses by Sea, &c. as particularized in the accompanying Statement.	Amount of Bonds paid into the Company's Treasury in England, instead of Cash, for Goods purchased at their Sales.	Net Proceeds realized in Cash.	OTHER PROFITS OF THE			
				Interest on the Annuities.	Interest accrued on Balance of Advances between the Territorial and Commercial Branches of the Company's Affairs in each Year, at the Rate of the Bond Debt.	Interest Received, Charged or Paid under other Heads, and Profit on Sale of Securities.	Surplus of Sums charged upon Private Trade Goods, the Manage- ment of which is committed to the Company, beyond the Amount of Commercial Charges General in England, not debited to the Company's own Trade.
	£.	£.	£.	£.	£.	£.	£.
1814-15	1,906,466	13,300	1,893,166	32,604	21,145	-	196,295
1815-16	1,289,677	276,700	1,012,977	32,604	43,914	99,098	144,806
1816-17	1,055,640	5,800	1,049,840	36,226	41,816	44,295	111,901
1817-18	1,653,024	-	1,653,024	36,226	55,146	* More paid than received, 74,567	180,577
1818-19	1,724,189	-	1,724,189	36,227	76,016	44,536	175,604
1819-20	899,195	34,750	864,445	36,227	97,459	2,932	20,991
1820-21	931,480	-	931,480	36,227	104,119	165,916	28,519
1821-22	1,200,397	-	1,200,397	36,226	105,642	274,852	110,312
1822-23	643,777	-	643,777	36,227	94,256	78,884	124,983
1823-24	702,310	-	702,310	36,227	103,833	100,330	112,695
1824-25	1,142,129	-	1,142,129	36,227	116,474	35,363	126,978
1825-26	864,238	141,050	723,188	36,227	121,037	60,467	72,337
1826-27	536,530	-	536,530	36,227	180,731	71,173	51,155
1827-28	379,209	-	379,209	36,227	196,604	208,738	30,275
1828-29	207,446	-	207,446	36,227	177,886	260,411	10,414
£.	15,135,707	471,600	14,664,107	536,156	1,536,078	1,372,428	1,497,842

PARTICULARS of Amount applied to Reduction
of India Debt.

	Bills of Exchange drawn from India in discharge of Principal of India Debt.	Consignments of Bullion to India in aid of Sinking Fund.	Sum directed by the Financial Letter to Bengal, of June 1821, to be advanced to the Sinking Fund.	TOTAL.
	£.	£.	£.	£.
1814-15	329,704	-	-	329,704
1815-16	318,382	-	-	318,382
1816-17	477	-	-	477
1817-18	200	-	-	200
1818-19	98	1,000,537	-	1,000,635
1819-20	-	166,302	-	166,302
1820-21	6,285	-	-	6,285
1821-22	10,576	-	1,500,000	1,510,576
1822-23	25,500	-	-	25,500
1823-24	1,396,842	-	-	1,396,842
1824-25	-	-	-	-
1825-26	-	-	-	-
1826-27	3,950	-	-	3,950
1827-28	82,103	-	-	82,103
1828-29	82,065	-	-	82,065
£.	2,256,182	1,166,839	1,500,000	4,923,021

— No. 3.—

from 1814-15 to 1828-29, by Investment in Merchandize or otherwise; with the Amount of Dividends in the same Amount of the Dividends; also showing the Amount applied in the same Years, from the Home Funds, to Payment of to Reduction of the Principal of that Debt, and of the India Debt.

COMPANY.		Total Commercial Profits of the Company, or Net Return yielded by the Company's Commercial Capital.	Dividends to the Proprietors of East India Stock.	Surplus beyond the Dividends.	Amount applied from the Commercial Funds provisionally to Payment of Interest on Bond Debt.	Amount applied from the Home Funds, under the Provisions of the 57th Clause of the 53d Geo. 3, c. 155:	
Profit on the Company's own Ships.	Profit at the Colonies of the Cape and British North America, from Sales by Company's Agents there; also Gain or Loss from the Currency at the Cape in each Year.					To Reduction of Principal of the Home-Bond Debt.	To Reduction of Principal of India Debt; (See Particulars, page 42.)
£.	£.	£.	£.	£.	£.	£.	£.
-	Cape - - 13,993	2,157,203	630,000	1,527,203	259,545	196,200	329,704
-	- - - 10,211	1,343,610	630,000	713,610	235,967	136,300	318,382
-	* - loss - 9,756	1,274,322	630,000	644,322	230,536	- - -	477
-	* - d° - 72	1,850,334	630,000	1,220,334	211,659	12	200
-	- - - 13,718	2,070,290	630,000	1,440,290	153,120	- - -	1,000,635
-	- - - 8,765	1,030,819	630,000	400,819	157,266	- - -	166,302
49,198	- - - 334	1,315,793	630,000	685,793	162,938	- - -	6,285
21,044	* - loss - 4,254	1,744,219	630,000	1,114,219	155,161	- - -	1,510,576
28,742	- - - 13,554	1,020,423	630,000	390,423	160,844	1,100	25,500
46,925	* - loss - 3,029	1,099,291	630,000	469,291	140,140	75	1,396,842
29,024	* - d° - 565	1,485,630	630,000	855,630	135,533	—	—
41,386	{ - - - 10,988 } N. A. - 18,557	1,084,187	630,000	454,187	111,739	712	—
26,921	{ Cape - - 6,645 } N. A. - 12,225	921,607	630,000	291,607	159,333	- - -	3,950
56,336	{ * Cape, loss 2,163 } N. A. - 13,796	919,022	630,000	289,022	153,441	- - -	82,103
32,647	{ Cape - - 825 } N. A. - 14,970	740,826	630,000	† 110,826	158,124	- - -	82,065
332,223	118,742	20,057,576	9,450,000	10,607,576	2,585,346	334,399	4,923,021

Total Commercial Profits of the Company brought down - - - - - £. 20,057,576

Add,
Bonds paid into the Company's Treasury instead of Cash for Goods purchased at the Company's sales, deducted from the above amount - 471,600

Amount of Profit realized prior to any deduction being made therefrom - } £. 20,529,176

Deduct,
Dividends to the Proprietors - £. 9,450,000
Interest on Home-Bond Debt - 2,585,346
12,035,346

Surplus Profit beyond Dividends to the Proprietors, and the provisional Charge for Interest on the Home-Bond Debt - } £. 8,493,830

* Red Ink in MS.

† The sum of 51,195*l.* loss of previous years, has been deducted from the profits of this year, per memorandum in the accompanying Statement.

(Errors excepted.)

East India House,
6 April 1832. }

(signed) Thos. S. Cabell,
Dep^y Acc^t Gen^l.

STATEMENT REFERRED TO IN THE PRECEDING ACCOUNT. - -

INDIAN TRADE - - - - -								
	Prime Cost calculated at the Rates fixed by the Board of Commissioners for the Affairs of India, for the Re-payment of Territorial Advances; viz. 2/ the C ^t R ^{ce} , 2/3 3-7ths the M ^s R ^{ce} , and 2/3 the B. R ^{ce} .	CUSTOMS.	Freight and Demorage.	Charges of Merchandise, calculated at 5 per Cent. on the Sale Amount of the Goods.	Total Cost and Charges.	SALE AMOUNT.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.	£.
1814-15	1,186,693	53,680	304,565	110,170	1,655,108	2,203,398	548,290	1,296 Loss on Salt- petre provid- ed for Board of Ordnance.
1815-16	1,039,236	52,588	331,436	89,820	1,513,080	1,796,371	283,291 Profit Salt-pe- tre, d ^o - d ^o . 11,752	- -
1816-17	1,212,808	58,617	341,698	90,824	1,703,947	1,816,465	112,518	D ^o 1,250
1817-18	1,322,568	54,668	267,737	108,556	1,753,529	2,171,131	417,602	- -
1818-19	1,396,303	51,974	202,259	107,825	1,758,361	2,156,491	398,130	- -
1819-20	1,237,911	- -	174,631	77,535	1,490,077	1,550,712	60,635	- -
1820-21	1,512,971	- -	149,647	80,563	1,743,181	1,611,260	- -	131,921
1821-22	1,417,043	- -	102,740	75,040	1,594,823	1,500,781	- -	94,042
1822-23	1,784,421	- -	156,578	94,964	2,035,963	1,899,279	- -	136,684
1823-24	1,714,417	- -	213,344	82,452	2,010,213	1,649,047	- -	361,166
1824-25	1,488,183	- -	109,085	81,623	1,678,891	1,632,443	- -	46,448
1825-26	1,541,462	- -	130,845	80,024	1,752,331	1,600,490	- -	151,841
1826-27	1,889,378	- -	164,965	87,340	2,141,683	1,746,810	- -	394,873
1827-28	1,981,741	- -	133,199	92,435	2,207,375	1,848,721	- -	358,654
1828-29	2,188,447	- -	117,441	96,312	2,402,200	1,926,243	- -	475,957
£.	22,913,582	271,527	2,900,170	1,355,483	27,440,762	27,109,642	1,820,466	2,151,586
					Net Loss, India Trade - - £.			331,120
					Net Profit on Saltpetre - - £.			9,206

Memorandum:—Had the Company's Profit and Loss Accounts been Affairs of India, as regards the repayment of Territorial advances, the The Profit on their China Trade would also have been increased in the

INDIAN TRADE.

Profit or Loss on Exports from England to India.		Charges in India not added to Invoices; also, Profit or Loss from Interest and Exchange, and Loss by Bad Debts, &c.	Losses at Sea, including Jettisons, Salvages, &c. and other Losses.	PROFIT.	Charges in China of the previous Years, not added to the Invoices, at 6s. 8d. the Tale.	Losses at Sea, including Jettisons, Salvages, &c. and other Losses.	Net Profit on the China Trade †, deducting Losses at Sea.	TOTAL Profit on Sales of Merchandize, India and China Trade, after replacing Cost and Charges of the Investment, and covering Losses by Sea, &c.	
Profit.	Loss.								
£.	£.	£.	£.	£.	£.	£.	£.	£.	
80,013	-	53,266	110,229	1,509,456	-	66,502	1,442,954	1,906,466	1814-15.
61,260	-	20,324	10,024	967,713	3,991	-	963,722	1,289,677	1815-16.
59,159	-	16,095	1,116	920,759	5,822	12,513	902,424	1,055,640	1816-17.
71,828	-	15,361	476	1,188,849	5,709	3,709	1,179,431	1,653,024	1817-18.
39,128	-	20,112	9,955	1,322,089	3,777	1,314	1,316,998	1,724,189	1818-19.
-	9,066	33,635	763	1,022,010	1,340	138,646	882,024	899,195	1819-20.
10,150	-	Net profit, *10,783	9,949	1,057,177	4,760	-	1,052,417	931,480	1820-21.
49,740	-	Net profit, *18,135	2,163	1,247,553	767	18,059	1,228,727	1,200,397	1821-22.
35,749	-	4,709	9,639	1,117,532	1,145	11,092	759,060	643,777	1822-23.
39,457	-	Net profit, *2,256	16,566	1,146,315	932	107,064	1,038,319	702,310	1823-24.
21,942	-	Net profit, *32,669	7,018	1,139,706	{ Excess of Charge in Invoice, beyond Amot incurred, *1,748	470	1,140,984	1,142,129	1824-25.
3,334	-	6,301	2,092	1,067,368	202	46,028	1,021,138	864,238	1825-26.
-	13,565	Net profit, *10,594	575	928,827	{ D° d° *7,041	919	934,949	536,530	1826-27.
-	18,835	30,536	860	788,383	289	-	788,094	379,209	1827-28.
-	66,399	8,021	5,350	763,873	439	261	763,173	207,446	1828-29.
471,760	107,865	133,923	186,765	16,187,610	20,384	752,812	15,414,414	15,135,707	
Net Profit - 363,895									

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* Red Ink in MS.

ifference of - - - - - £. 4,081,009

† The Profit or Loss upon the Outcalculated.

|| Including the sum of 51,195l. loss

STATEMENT REFERRED TO IN THE PRECEDING ACCOUNT. - -

INDIAN TRADE - - - - -								
	Prime Cost calculated at the Rates fixed by the Board of Commissioners for the Affairs of India, for the Re-payment of Territorial Advances; viz. 2/ the C ^t R ^{ce} , 2/3 3-7ths the M ^s R ^{ce} , and 2/3 the B. R ^{ce} .	CUSTOMS.	Freight and Demorage.	Charges of Merchandise, calculated at 5 per Cent. on the Sale Amount of the Goods.	Total Cost and Charges.	SALE AMOUNT.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.	£.
1814-15	1,186,693	53,680	304,565	110,170	1,655,108	2,203,398	548,290	1,296 Loss on Salt- petre provid- ed for Board of Ordnance.
1815-16	1,039,236	52,588	331,436	89,820	1,513,080	1,796,371	283,291 Profit Salt-pe- tre, d ^o - d ^o . 11,752	- -
1816-17	1,212,808	58,617	341,698	90,824	1,703,947	1,816,465	112,518	D ^o 1,250
1817-18	1,322,568	54,668	267,737	108,556	1,753,529	2,171,131	417,602	- -
1818-19	1,396,303	51,974	202,259	107,825	1,758,361	2,156,491	398,130	- -
1819-20	1,237,911	- -	174,631	77,535	1,490,077	1,550,712	60,635	- -
1820-21	1,512,971	- -	149,647	80,563	1,743,181	1,611,260	- -	131,921
1821-22	1,417,043	- -	102,740	75,040	1,594,823	1,500,781	- -	94,042
1822-23	1,784,421	- -	156,578	94,964	2,035,963	1,899,279	- -	136,684
1823-24	1,714,417	- -	213,344	82,452	2,010,213	1,649,047	- -	361,166
1824-25	1,488,183	- -	109,085	81,623	1,678,891	1,632,443	- -	46,448
1825-26	1,541,462	- -	130,845	80,024	1,752,331	1,600,490	- -	151,841
1826-27	1,889,378	- -	164,965	87,340	2,141,683	1,746,810	- -	394,873
1827-28	1,981,741	- -	133,199	92,435	2,207,375	1,848,721	- -	358,654
1828-29	2,188,447	- -	117,441	96,312	2,402,200	1,926,243	- -	475,957
£.	22,913,582	271,527	2,900,170	1,355,483	27,440,762	27,109,642	1,820,466	2,151,586
					Net Loss, India Trade - - £.			331,120
					Net Profit on Saltpetre - - £.			9,206

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£.	£.	£.	£.	£.	£.	£.	£.	£.	
80,013	-	53,266	110,229	1,509,456	-	66,502	1,442,954	1,906,466	1814-15.
61,260	-	20,324	10,024	967,713	3,991	-	963,722	1,289,677	1815-16.
59,159	-	16,095	1,116	920,759	5,822	12,513	902,424	1,055,640	1816-17.
71,828	-	15,361	476	1,188,849	5,709	3,709	1,179,431	1,653,024	1817-18.
39,128	-	20,112	9,955	1,322,089	3,777	1,314	1,316,998	1,724,189	1818-19.
-	9,066	33,635	763	1,022,010	1,340	138,646	882,024	899,195	1819-20.
10,150	-	Net profit, *10,783	9,949	1,057,177	4,760	-	1,052,417	931,480	1820-21.
49,740	-	Net profit, *18,135	2,163	1,247,553	767	18,059	1,228,727	1,200,397	1821-22.
35,749	-	4,709	9,639	1,117,532	1,145	11,092	759,060	643,777	1822-23.
39,457	-	Net profit, *2,256	16,566	1,146,315	932	107,064			
21,942	-	Net profit, *32,669	7,018	1,139,706	Excess of Charge in Invoice, beyond Amount incurred, *1,748	470	1,140,984	1,142,129	1824-25.
3,334	-	6,301	2,092	1,067,368		46,028	1,021,138	864,238	1825-26.
-	13,565	Net profit, *10,594	575	928,827	{ D° d° } *7,041	919	934,949	536,530	1826-27.
-	18,835	30,536	860	788,383		-	788,094	379,209	1827-28.
-	66,399	8,021	5,350	763,873	439	261	763,173	207,446	1828-29.
471,760	107,865	133,923	186,765	16,187,610	20,384	752,812	15,414,414	15,135,707	
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	£.	£.	£.	£.	£.	£.	£.	£.
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1817-18	1,322,568	54,668	267,737	108,556	1,753,529	2,171,131	417,602	- -
1818-19	1,396,303	51,974	202,259	107,825	1,758,361	2,156,491	398,130	- -
1819-20	1,237,911	- -	174,631	77,535	1,490,077	1,550,712	60,635	- -
1820-21	1,512,971	- -	149,647	80,563	1,743,181	1,611,260	- -	131,921
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1823-24	1,714,417	- -	213,344	82,452	2,010,213	1,649,047	- -	361,166
1824-25	1,488,183	- -	109,085	81,623	1,678,891	1,632,443	- -	46,448
1825-26	1,541,462	- -	130,845	80,024	1,752,331	1,600,490	- -	151,841
1826-27	1,889,378	- -	164,965	87,340	2,141,683	1,746,810	- -	394,873
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£.	22,913,582	271,527	2,900,170	1,355,483	27,440,762	27,109,642	1,820,466	2,151,586
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59,159	-	16,095	1,116	920,759	5,822	12,513	902,424	1,055,640	1816-17.
71,828	-	15,361	476	1,188,849	5,709	3,709	1,179,431	1,653,024	1817-18.
39,128	-	20,112	9,955	1,322,089	3,777	1,314	1,316,998	1,724,189	1818-19.
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35,749	-	4,709	9,639	1,117,532	1,145	11,092	759,060	643,777	1822-23.
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59,159	-	16,095	1,116	920,759	5,822	12,513	902,424	1,055,640	1816-17.
71,828	-	15,361	476	1,188,849	5,709	3,709	1,179,431	1,653,024	1817-18.
39,128	-	20,112	9,955	1,322,089	3,777	1,314	1,316,998	1,724,189	1818-19.
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35,749	-	4,709	9,639	1,117,532	1,145	11,092	759,060	643,777	1822-23.
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	Prime Cost calculated at the Rates fixed by the Board of Commissioners for the Affairs of India, for the Re-payment of Territorial Advances; viz. 2/ the C ^t R ^{ce} , 2/3 3-7ths the M ^s R ^{ce} , and 2/3 the B. R ^{ce} .	CUSTOMS.	Freight and Demorage.	Charges of Merchandize, calculated at 5 per Cent. on the Sale Amount of the Goods.	Total Cost and Charges.	SALE AMOUNT.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.	£.
1814-15	1,186,693	53,680	304,565	110,170	1,655,108	2,203,398	548,290	1,296 Loss on Salt- petre provid- ed for Board of Ordnance.
1815-16	1,039,236	52,588	331,436	89,820	1,513,080	1,796,371	283,291 Profit Salt-pe- tre, d ^o - d ^o . 11,752	- -
1816-17	1,212,808	58,617	341,698	90,824	1,703,947	1,816,465	112,518	D ^o 1,250
1817-18	1,322,568	54,668	267,737	108,556	1,753,529	2,171,131	417,602	- -
1818-19	1,396,303	51,974	202,259	107,825	1,758,361	2,156,491	398,130	- -
1819-20	1,237,911	- -	174,631	77,535	1,490,077	1,550,712	60,635	- -
1820-21	1,512,971	- -	149,647	80,563	1,743,181	1,611,260	- -	131,921
1821-22	1,417,043	- -	102,740	75,040	1,594,823	1,500,781	- -	94,042
1822-23	1,784,421	- -	156,578	94,964	2,035,963	1,899,279	- -	136,684
1823-24	1,714,417	- -	213,344	82,452	2,010,213	1,649,047	- -	361,166
1824-25	1,488,183	- -	109,085	81,623	1,678,891	1,632,443	- -	46,448
1825-26	1,541,462	- -	130,845	80,024	1,752,331	1,600,490	- -	151,841
1826-27	1,889,378	- -	164,965	87,340	2,141,683	1,746,810	- -	394,873
1827-28	1,981,741	- -	133,199	92,435	2,207,375	1,848,721	- -	358,654
1828-29	2,188,447	- -	117,441	96,312	2,402,200	1,926,243	- -	475,957
£.	22,913,582	271,527	2,900,170	1,355,483	27,440,762	27,109,642	1,820,466	2,151,586
					Net Loss, India Trade - - £.			331,120
					Net Profit on Saltpetre - - £.			9,206

Memorandum:—Had the Company's Profit and Loss Accounts been Affairs of India, as regards the repayment of Territorial advances, the The Profit on their China Trade would also have been increased in the

INDIAN TRADE.

Profit or Loss on Exports from England to India.		Charges in India not added to Invoices ; also, Profit or Loss from Interest and Exchange, and Loss by Bad Debts, &c.	Losses at Sea, including Jettisons, Salvages, &c. and other Losses.	PROFIT.	Charges in China of the previous Years, not added to the Invoices, at 6s. 8d. the Tale.	Losses at Sea, including Jettisons, Salvages, &c. and other Losses.	Net Profit on the China Trade †, deducting Losses at Sea.	TOTAL Profit on Sales of Merchandise, India and China Trade, after replacing Cost and Charges of the Investment, and covering Losses by Sea, &c.	
Profit.	Loss.								
£.	£.	£.	£.	£.	£.	£.	£.	£.	
80,013	- -	53,266	110,229	1,509,456	- -	66,502	1,442,954	1,906,466	1814-15.
61,260	- -	20,324	10,024	967,713	3,991	- -	963,722	1,289,677	1815-16.
59,159	- -	16,095	1,116	920,759	5,822	12,513	902,424	1,055,640	1816-17.
71,828	- -	15,361	476	1,188,849	5,709	3,709	1,179,431	1,653,024	1817-18.
39,128	- -	20,112	9,955	1,322,089	3,777	1,314	1,316,998	1,724,189	1818-19.
- -	9,066	33,635	763	1,022,010	1,340	138,646	882,024	899,195	1819-20.
10,150	- -	Net profit, *10,783	9,949	1,057,177	4,760	- -	1,052,417	931,480	1820-21.
49,740	- -	Net profit, *18,135	2,163	1,247,553	767	18,059	1,228,727	1,200,397	1821-22.
35,749	- -	4,709	9,639	1,117,532	1,145	11,092	759,060	643,777	1822-23.
39,457	- -	Net profit, *2,256	16,566	1,146,315	932	107,064	1,038,319	702,310	1823-24.
21,942	- -	Net profit, *32,669	7,018	1,139,706	{ Excess of Charge in Invoice, be- yond Amot incurred, *1,748 202	470	1,140,984	1,142,129	1824-25.
3,334	- -	6,301	2,092	1,067,368	{ D° d° *7,041	919	1,021,138	864,238	1825-26.
- -	13,565	Net profit, *10,594	575	928,827	{ D° d° *7,041	919	934,949	536,530	1826-27.
- -	18,835	30,536	860	788,383	289	- -	788,094	379,209	1827-28.
- -	66,399	8,021	5,350	763,873	439	261	763,173	207,446	1828-29.
471,760	107,865	133,923	186,765	16,187,610	20,384	752,812	15,414,414	15,135,707	
Net Profit - 363,895									

made up at the mercantile rate of Exchange, as above Account of their India Trade would have been by the Board of Commissioners for the period, by the Sum of - - - - - £. 2,524,107

* Red Ink in MS.

ifference of - - - - - £. 4,081,009

† The Profit or Loss upon the Outward Trade calculated.
|| Including the sum of 51,195*l.* loss

— No. 4. —

COMPARISON of the COMPANY'S COMMERCIAL CAPITAL, as computed at the two Periods of 1814 and 1829; with an Explanation of the Amount of such Capital in the latter Year, relatively to that at which it appears in the former; particularly with reference to the Net Return which has been yielded by its Employment in Trade or otherwise, in the intervening Period, as shown in No. 3.

	£.	£.
Balance in favour of the Company, of their Commercial Debts and Effects (exclusive of the Commercial Dead Stock in India) as computed on 1 May 1814, (No. 1.) - - - - -	19,268,738	
Add, the Amount of the Commercial Dead Stock in India so excluded (foot of No. 1) - - - - -	467,171	
TOTAL CAPITAL, as computed 1 May 1814 - - -		19,735,909
The following Adjustments, made since 1814, operate to reduce the value of the assets which enter into the foregoing computation; viz.		
Amount of Spices from the Moluccas, included at that time as part of the Company's goods unsold in England (the same having been given credit for by the Commerce to Territory, prior to 1 May 1814), the proceeds of which it was subsequently determined should be allowed to His Majesty's Government, as a set-off against the Company's claim for repayment of the expenses of capture and maintenance of those islands - - - - -	234,448	
Amount of Buildings and other dead stock in India which had become decayed, or had been destroyed prior to 1 May 1814, but which remained as part of the computed value of Dead Stock on that day; written off between 1814 and 1829 - - - - -	78,626	
Amount of Debts due to the Company on 1 May 1814; (Advances in India for investment, &c.); written off as unavailable between 1814 and 1829 - - - - -	140,538	
Amount by which the valuation of the Company's Commercial Buildings in England, on 1 May 1829, falls short of the aggregate of their computed value on 1 May 1814, and the amount of the outlay since incurred on this account, up to 1829, principally arising from the transfer, subsequent to 1814, to the Territorial Branch, of the value of the College at Hayleybury, and of the Military Seminary at Addiscombe, the component parts of the Dead Stock in England not having been previously separated, with reference to its occupation for Commercial or Territorial purposes	70,314	
The Surplus Net Return (beyond the dividends paid to the Proprietors, and the provisional Charge for Interest on the Bond Debt) yielded by the employment of the Commercial Capital in the 15 years from 1814-15 to 1828-29, amounted, as per No. 3, to -	8,493,830	523,926
Of which may be considered as having been anticipated in the computation of the assets, on 1 May 1814, comparatively with the Account of 1829, the amount of the valuation of assets above costs and charges (where the same are calculated at their market value) at the latter period, falling short to this extent of the valuation, in the same respect at the former - - - - -	291,550	19,211,983
		8,202,280
Aggregate Amount of the Commercial Capital in 1814, and of the subsequent Profits to be accounted for - - - - -		27,414,263

Amount of computed Commercial Capital, on 1 May 1829; viz.	£.	£.
Balance (as in 1814) in favour of the Company, exclusive of Dead Stock (No. 2.) - - - - -	21,102,182	
Amount of the Dead Stock, (foot of No. 2.) - - - - -	566,328	21,668,510
Applied, (as per No. 3.) for the service of the Territory, or for (purposes deemed by the Court to be Territorial, or having a similar operation; viz.		
To reduction of Principal of India Debt - - - - -	4,923,021	
Ditto - - Home Bond Debt: Bonds paid in on Sales £. 471,600 Bonds paid off - - - 334,399	805,999	5,729,020
Amount of Loss sustained by the Company in the provision of sunn hemp for the Public Service, under an arrangement entered into in the year 1808; the whole amount deemed to have been sacrificed by the Company in providing this article for the Public Service, was computed to amount to 99,563 <i>l.</i> , but the sum here inserted is that portion of it which has not been otherwise accounted for -		40,797
	£.	27,438,327

The difference of £. 24,064, between the sum to be accounted for, and the aggregate of the particulars which have been traced as explanatory thereof, may be considered as arising from variations between the amount of the cost and charges of the goods in which the Company's trade has been carried on, as apportioned upon the several articles when brought to sale, and the aggregate of the outlay incurred in their provision. The charges in England, such as freight, and those for management and for bringing the goods to sale, are defrayed, in most instances, without reference to the separate articles composing the investments, or to the periods at which they may respectively be brought to sale; the amount, therefore of such charges attaching to each article, as well as its prime cost, can only be arrived at by a proportionate allotment of the general outlay applicable to the whole.

(Errors excepted.)

East India House, }
6 April 1832. }

(signed) T. S. Cabell,
Dep^y Acc^t Gen^l.

No. 5.—RECEIPTS AND PAYMENTS

ON ACCOUNT OF THE CURRENT TRANSACTIONS OF THE

RECEIPTS.	1814-15.	1815-16.	1816-17.	1817-18.	1818-19.	1819-20.	1820-21.
	£.	£.	£.	£.	£.	£.	£.
Sale Proceeds of Company's Goods - - -	8,296,962	6,291,621	5,171,357	6,365,806	6,178,825	5,161,665	5,047,751
Charges on Private Trade, warehoused and sold by the Company - - -	220,668	206,938	210,218	187,022	170,766	116,101	148,686
Customs on Private Trade - - -	91,537	146,903	118,914	86,993	58,965	36,826	5,107
Freight on - ditto - - -	143,413	87,051	15,351	15,077	13,529	8,392	2,140
Board of Ordnance, for Saltpetre delivered - -	97,533	235,112	39,979	-	-	-	-
Interest on the Annuities - - -	32,604	32,604	36,227	36,227	36,227	36,227	36,227
Remittances made by Company's Agent at Cape of Good Hope - - -	20,400	17,075	-	12,918	-	-	-
Interest and Discounts on anticipated Payments - - -	-	99,098	44,295	-	44,536	2,932	165,916
Freight and Charges on Spices sold for Government - - -	-	-	-	27,130	39,665	25,018	13,362
China Embassy - - -	-	-	-	-	157	-	-
Commissioners of His Majesty's Navy, on account of Sunn Hemp provided in India - -	-	-	-	-	243,829	36,167	822
Bills from Bombay, for Cotton sold there - -	-	-	-	-	-	24,681	29,888
Sale of Stock in the Public Funds, standing in the Company's Name - - -	-	-	-	-	-	-	55,410
Dividends on ditto - - -	-	-	-	-	-	-	-
Remittances from North American Colonies, on account of Proceeds of Teas sold there by Company's Agents - - -	-	-	-	-	-	-	-
£.	8,903,117	7,116,402	5,636,341	6,731,173	6,786,499	5,448,009	5,505,309
ON ACCOUNT OF LOANS AND ADVANCES:							
Owners of Ships, for Advances abroad, short Deliveries, &c. - - -	17,907	23,452	70,597	86,180	61,034	62,036	46,097
On account of Hong Merchants, to be paid to them at Canton - - -	-	-	-	-	7,000	7,000	-
Money borrowed of the Bank - - -	-	-	-	-	-	-	-
Bullion from India on account of the Deccan - -	-	-	-	-	-	-	-
Booby - - -	-	-	-	-	-	-	-
£.	17,907	23,452	70,597	86,180	68,034	69,036	46,097
ON ACCOUNT OF PRIVATE TRADE AND FUNDS UNDER THE MANAGEMENT OF THE COMPANY:							
Almshouses at Poplar, Poplar Contingent Fund, and Seamen's Wages unclaimed - - -	14,643	-	-	101,046	18,051	15,362	106,326
Fee Funds for the House and Warehouses - -	113,218	-	96,433	90,952	86,578	84,862	72,365
Widows' Funds for Officers of the House and Warehouses, and for Elders, extra Clerks, &c. employed in House and Warehouses - -	-	-	12,080	3,649	4,791	11,826	12,818
Sale Proceeds of Private Trade Goods - - -	4,080,890	4,367,623	3,603,335	3,949,854	3,736,114	2,395,012	2,623,107
Unclaimed Prize-money paid into the Company's Treasury, in conformity with the Act 1 & 2 Geo. 4, c. 61, carried over to Poplar Fund - - -	-	-	-	-	-	-	-
£.	4,208,751	4,367,623	3,711,848	4,145,501	3,845,534	2,507,062	2,814,616
ON ACCOUNT OF THE TERRITORY:							
RECEIPTS under all the heads on this Account -	608,368	233,754	511,146	189,552	587,964	369,012	313,895
TOTAL RECEIPTS - - £.	13,738,143	11,741,231	9,929,932	11,152,406	11,288,031	8,393,119	8,679,917
BALANCE in favour at the Commencement of each Year (excluding Tea Duty) - -	695,860	2,167,346	1,125,196	1,230,012	1,895,716	2,692,404	2,635,369
£.	14,434,003	13,908,577	11,055,128	12,382,418	13,183,747	11,022,523	11,315,286

The Receipts and Payments on account of the Territory have a connexion with the Company's Commerce, inasmuch as the Sums disbursed

Under the first three Years of this Account, the proceeds of Spices from the Moluccas were included (Which Sums should be respectively deducted from the Receipts of the Commercial, and On the other hand, part of the Proceeds realized from these Spices, amounting to £.110,000, was by Amount from the Receipts of the Territorial to those of the Commercial Branch - - -

In the first two Years of this Account there was also included in the Receipts of the Territorial Branch to Shipowners at the time of their issue, instead of at the period of the settlement of their Accounts

OF THE MENT.

COMPANY'S THE COMPANY'S OWN TRADE AND MANAGEMENT.

1821-22.	1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	TOTAL.
£. 5,262,349 177,680 3,124 11,249 - 36,227 - 21,841 10,717 - 117,837 - 110,820 60,812 - 5,812,656	£. 6,151 796,540 1,376,138 122,227 468,156 638 37,500 1,472,942 - - - 4,280,292 632,251 162,938 5,075,481	£. 1,406 663,661 1,088,561 117,928 410,386 - 42,731 - - - - 2,324,673 627,931 155,161 3,107,765	£. 7,882 712,414 861,532 87,732 403,127 - 40,934 - 368 - - 2,113,989 631,727 160,844 2,906,560	£. 15,976 738,490 1,071,602 185,401 411,093 - - - - 52,644 - 2,422,562 626,565 140,140 3,189,267	£. 4,963 613,276 743,893 194,952 433,299 - - - - - 52,644 2,043,027 631,934 135,533 2,810,494	£. 1,491 733,839 723,079 144,754 484,148 - - - - 17,500 - 2,104,811 630,473 111,739 2,847,023	£. 2,994 692,817 750,369 74,516 492,594 - - - - - 8,224 2,021,514 621,587 159,333 2,802,434	£. - 783,759 619,585 592,745 497,866 - - - 20,456 - - 2,514,411 633,357 153,441 3,301,209	£. 4,379 662,964 471,321 121,608 467,991 - - - 32,190 - - 1,760,453 629,071 158,124 2,547,648	£. 1,007,869 12,810,110 14,500,042 1,899,131 2,675,880 6,733,154 88,897 302,415 1,472,942 197,725 8,224 41,696,398 9,458,590 2,585,347 53,740,335
51,663 3,456 - - - 55,119	- - - - - -	- - - - - -	- - - - 1,100 1,100	- - - - 75 75	1,000,000 2,794 - 1,002,794 - 1,002,794	500,000 - - 500,000 141,762 641,762	- - 130,000 130,000 - 130,000	400,000 - 157,361 557,361 - 557,361	- - 74,201 74,201 - 74,201	2,700,000 2,794 361,562 3,064,356 705,999 3,770,355
21,452 73,972 12,897 2,700,361 31,683 2,840,365	20,161 72,149 16,087 2,564,159 - 2,672,556	22,397 69,968 9,092 2,823,422 - 2,924,879	16,406 82,366 14,222 2,427,373 - 2,540,367	16,166 84,821 8,575 2,527,142 64 2,636,768	17,246 86,313 4,934 3,036,774 - 3,145,267	17,810 84,490 38,932 2,733,871 - 2,875,103	17,483 85,599 14,530 2,659,484 - 2,777,096	17,484 82,995 18,116 2,421,051 - 2,539,646	25,025 81,092 18,739 2,475,774 - 2,600,630	259,365 1,212,547 173,526 45,798,664 64 47,444,166
318,957 9,027,097	2,295,483 10,043,520	3,218,882 9,251,526	4,849,170 10,297,197	5,291,587 11,117,697	2,807,625 9,766,180	3,528,643 9,892,531	3,265,627 8,975,157	2,911,297 9,309,513	3,067,188 8,289,667	46,291,485 151,246,341
1,271,766 10,298,863	1,271,766 11,315,286	1,047,337 10,298,863	2,516,126 12,813,323	1,118,591 12,236,288	1,594,644 11,360,824	779,195 10,671,726	262,024 9,237,181	312,638 9,622,151	1,081,563 9,371,230	Balance, 1 May 1829, 1,081,563 152,327,904

from the Commercial £. 166,302 was afterwards sent to India on the Territorial Account, and applied to the reduction of India Debt.

	1814-15.	1815-16.	1816-17.	TOTAL.
	£.	£.	£.	£.
as part of the Receipts - - -	154,521	118,030	26,932	299,483
added to those of the				
directions of the Local Government to a like } - - -	-	-	-	110,000
- - - - -				189,483
the amount adjusted in England; the Territorial Branch } - - -	37,481	76,402	-	113,883
added to those of the Territorial Branch - - - - -			£.	75,600

Errors Excepted.)

Thos. S. Cabell,
Dep^y Acc^t Gen^l.

— No. 6.—

STATEMENT of TERRITORIAL PAYMENTS made by the Supra-Cargoes at *Canton*,
from the Books of Account

	CHINA.				
	Payments on account of His Ma- jesty's Ships ; Survey of the China Seas ; Advances to Military Officers, repayable ; and Passage of Chinese to St. Helena, to be employed at the Island.	STORES AND BULLION.			TOTAL Payments at China.
		Cost of Tea, Nankeens, &c. for India and St. Helena, for the Hospitals and Garrisons.	Remittances of Bullion from China to India.	TOTAL Stores and Bullion.	
	£.	£.	£.	£.	£.
1814-15 - -	16,803	9,512	- - -	9,512	26,315
1815-16 - -	19,338	11,326	- - -	11,326	30,664
1816-17 - -	23,698	10,353	- - -	10,353	34,051
1817-18 - -	15,744	11,138	480,000	491,138	506,882
1818-19 - -	13,937	13,951	96,000	109,951	123,888
1819-20 - -	11,390	14,022	- - -	14,022	25,412
1820-21 - -	402	11,665	- - -	11,665	12,067
1821-22 - -	474	2,975	- - -	2,975	3,449
1822-23 - -	- - -	9,292	- - -	9,292	9,292
1823-24 - -	- - -	4,245	- - -	4,245	4,245
1824-25 - -	1,084	5,200	- - -	5,200	6,284
1825-26 - -	121	2,823	- - -	2,823	2,944
1826-27 - -	- - -	5,460	- - -	5,460	5,460
1827-28 - -	291	3,115	- - -	3,115	3,406
1828-29 - -	240	13,311	- - -	13,311	13,551
£.	103,522	128,388	576,000	704,388	807,910

East India House, }
6 April 1832. }

— No. 6. —

and Agent at the *Cape of Good Hope*, from 1st May 1814 to 30th May 1829; as collected kept at those Places respectively.

CAPE OF GOOD HOPE.				TOTAL.	
Passage of Troops from the Cape to India; Payments on account of Invalid Soldiers; Survey of the East Coast of Africa, &c. &c.	Expenses on account of the St. Helena Schooner; Pensions to Soldiers late of St. Helena Establishment; Advances to St. Helena Officers, &c. &c.	Purchase of Stores and Provisions for St. Helena, Freight paid, and Charges on the Stores provided.	TOTAL Payments at Cape of Good Hope.	Sundry Payments.	Stores and Bullion.
£.	£.	£.	£.	£.	£.
1,328	1,417	23,641	26,386	19,548	33,153
18,320	1,409	16,900	36,629	39,067	28,226
537	1,325	21,212	23,074	25,560	31,565
916	726	19,310	20,952	17,386	30,448 } Bullion, 480,000 }
281	1,283	28,193	29,757	15,501	42,144 } Bullion, 96,000 }
2,383	1,310	28,935	32,628	15,083	42,957
163	982	23,484	24,629	1,547	35,149
1,835 } Cape Wine for Hospital in India, 59 }	593	11,014	13,501	2,902	14,048
2,118	811	7,008	9,937	2,929	16,300
1,224 } Cape Wine for Hospital in India, 239 }	918	9,351	11,732	2,142	13,835
1,298	462	4,221	5,981	2,844	9,421
1,673	901	10,064	12,638	2,695	12,887
3,134	1,115	7,506	11,755	4,249	12,966
1,033	1,170	8,381	10,584	2,494	11,496
20,693	1,497	9,024	31,214	22,430	22,335
Stores for } 298 India - } 56,936	15,919	228,244	301,397	176,377	932,930

TOTAL - - - £. 1,109,307.

(Errors excepted.)

(signed)

Thomas S. Cabell,

Dep^y Acc^t Gen^l.

—No. 7.—

(1.)—TERRITORIAL BRANCH of the AFFAIRS of the EAST INDIA COMPANY in Account
in each Year, from 1st May 1814

1814-15. - - - - -

1815. 30 April:		£.
	TO Amount of Territorial Advances and Charges in England, &c., in the year 1814-15:	
	Officers pay - - - - -	£. 147,609
	Passage of military, and supplies to them on the voyage - - - - -	79,101
	Political freight and demorage, exclusive of amount charged on exports - - - - -	51,081
	Interest on loan of 2,500,000 l. from the Public in 1812 - - - - -	120,513
	Redemption of above loan - - - - -	123,531
	Political charges general, exclusive of advances recoverable in India - - - - -	283,316
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	15,713
	Sundry expenses on account of St. Helena - - - - -	5,304
	Territorial stores exported from England to India - - - - -	405,238
	Ditto - - - ditto - - St. Helena - - - - -	65,833
	Ditto - - - ditto - - P. W. Island - - - - -	21,704
	Ditto - - - ditto - - Bencoolen - - - - -	4,762
	Ditto - - - from China and the Cape of Good Hope to St. Helena - - - - -	33,396
	Off-reckoning funds - - - - -	135,692
	Carnatic fund - - - - -	180,930
	Advances to public institutions, &c. repayable in India - - - - -	30,392
	Bills drawn from St. Helena, discharged in England - - - - -	44,146
	Ditto - Bencoolen - ditto - - - - -	3,740
	Ditto - India, effects of deceased officers, &c. - - - - -	13,136
	Cast iron bridge, &c. for the Nabob of Oude - - - - -	5,744
		1,770,881
	To Balance transferred from Account (No. 2), being the excess of payments for bills drawn for interest of India debt beyond the amount of remittances to meet those bills - - - - -	176,255
		£. 1,947,136

1815-16. - - - - -

1815: 1 May.		£.
	TO Balance due to the Commercial Branch, under this Head, at the close of the Season 1814-15	723,767
1816: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1815-16:	
	Officers pay - - - - -	£. 152,231
	Passage of military, and supplies to them on the voyage - - - - -	74,336
	Political freight and demorage, exclusive of amount charged on exports - - - - -	139,526
	Interest on loan of 2,500,000 l. from the Public in 1812 - - - - -	114,221
	Redemption of above loan - - - - -	129,767
	Political charges general, exclusive of advances recoverable in India - - - - -	267,911
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	9,034
	Sundry expenses on account of St. Helena - - - - -	10,547
	Ditto - - - Bencoolen - - - - -	940
	Territorial stores exported from England to India - - - - -	363,496
	Ditto - - - ditto - - St. Helena - - - - -	69,530
	Ditto - - - ditto - - Bencoolen - - - - -	6,184
	Ditto - - - from China and the Cape to India - - - - -	2,016
	Ditto - - - ditto - - St. Helena - - - - -	27,112
	Bullion exported to St. Helena - - - - -	20,292
	Off-reckoning funds - - - - -	54,451
	Carnatic fund - - - - -	131,043
	Advances to public institutions, &c. repayable in India - - - - -	47,166
	Bills drawn from St. Helena, discharged in England - - - - -	40,207
	Ditto - Bencoolen - ditto - - - - -	1,719
	Ditto - India, effects of deceased officers, &c. - - - - -	14,075
	Deduct,	
	Territorial stores from England to Prince of Wales Island, amount recovered for short deliveries of exports of former seasons - - - - -	1,675,804 243
	To Balance transferred from Account (No. 2), being the excess of payments for bills drawn for interest of India debt beyond the amount of remittances realized to meet those bills - - - - -	1,675,561 291,757
		£. 2,691,085

- - - - - No. 7. -

with the COMMERCIAL BRANCH in respect to Territorial and Political Payments made in *England*, to 1st May 1829.

- - - - - 1814-15.

1815: 30 April.	BY Balance of Advances made by the Territorial to the Commercial Department at Bengal - - - - -	£. 868,897	£.
	By - - ditto - - ditto - - Madras - - - -	253,067	
	By - - ditto - - ditto - - Bombay - - - -	66,126	
	By - - ditto - - ditto - - Bencoolen - - - -	35,279	
			1,223,369
	By Balance due to the Commercial from the Territorial Branch on 30th April 1815		723,767
		£.	1,947,136

- - - - - 1815-16.

1816: 30 April.	BY Balance of Advances made by the Territorial to the Commercial Department at Bengal - - - - -	£. 1,214,245	£.
	By - - ditto - - ditto - - Madras - - - -	405,560	
	By - - ditto - - ditto - - Bombay - - - -	247,112	
	By - - ditto - - ditto - - Bencoolen - - - -	55,330	
	By - - ditto - - ditto - - St. Helena - - - -	2,778	
	By - - ditto - - ditto - - P. W. Island - - - -	1,910	
			1,926,935
	By Balance due to the Commercial Branch on 30 April 1816 - - - -		764,150
		£.	2,691,085

No. 7. (1.)—Territorial Branch in Account with the Commercial Branch in

1816-17. - - - - -

1816: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of the Season 1815-16	£. 764,150
1817: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1816-17:	
	Officers pay - - - - -	£. 159,509
	Passage of military, and supplies to them on the voyage - - -	51,474
	Political freight and demorage, exclusive of amount charged on exports - -	69,792
	Interest on loan of 2,500,000 <i>l.</i> from the Public in 1812 - - -	107,708
	Redemption of above loan - - - - -	136,214
	Political charges general, exclusive of advances recoverable in India - -	279,399
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. -	20,728
	Sundry expenses on account of St. Helena - - - - -	3,568
	Ditto - - - - - P. W. Island - - - - -	1,060
	Territorial stores exported from England to India - - - - -	497,203
	Ditto - - - - - ditto - - - - - St. Helena - - - - -	78,212
	Ditto - - - - - ditto - - - - - P. W. Island - - - - -	7,315
	Ditto - - - - - ditto - - - - - Bencoolen - - - - -	3,630
	Ditto - - - - - from the Cape to St. Helena - - - - -	34,545
	Bullion exported to St. Helena - - - - -	15,333
	Off-reckoning funds - - - - -	48,738
	Carnatic fund - - - - -	182,193
	Advances to public institutions, &c., repayable in India - - - - -	14,258
	Bills drawn from St. Helena, discharged in England - - - - -	50,243
	Ditto - Bencoolen - ditto - - - - -	619
	Ditto - India, effects of deceased officers, &c. - - - - -	4,260
	Cast iron bridge for the Nabob of Oude - - - - -	19,155
		£. 1,785,156
	Deduct, Receipts on account of the settlement of Bencoolen more than the payments -	777
		1,784,379
		£ 2,548,529

1817-18. - - - - -

1817: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of the Season 1816-17	£. 731,737
1818: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1817-18:	
	Officers pay - - - - -	£. 158,711
	Passage of military, and supplies to them on the voyage - - -	33,179
	Political freight and demorage, exclusive of amount charged on exports - -	222,960
	Interest on loan of 2,500,000 <i>l.</i> from the Public in 1812 - - -	101,868
	Redemption of above loan - - - - -	141,991
	Political charges general, exclusive of advances recoverable in India - -	237,715
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. -	16,803
	Sundry expenses on account of St. Helena - - - - -	5,007
	Territorial stores exported from England to India - - - - -	275,039
	Ditto - - - - - ditto - - - - - St. Helena - - - - -	46,498
	Ditto - - - - - ditto - - - - - P. W. Island - - - - -	1,914
	Ditto - - - - - ditto - - - - - Bencoolen - - - - -	1,346
	Ditto - - - - - from China and the Cape to India - - - - -	1,186
	Ditto - - - - - ditto - - - - - St. Helena - - - - -	29,261
	Off-reckoning funds - - - - -	54,625
	Carnatic fund - - - - -	87,617
	Advances to public institutions, &c., repayable in India - - - - -	39,346
	Remittances from China to India - - - - -	480,000
	Bills drawn from St. Helena, discharged in England - - - - -	110,327
	Ditto - Bencoolen - ditto - - - - -	759
	Ditto - India, effects of deceased officers, &c. - - - - -	26,896
		2,073,048
	To Balance transferred from Account (No. 2), being the excess of payments for bills drawn for interest of India debt beyond the amount of remittances realized to meet those bills -	399,079
		£. 3,203,864

respect to Territorial and Political Payments made in England—*continued.*

- - - - - 1816-17.

1817: 30 April.	BY Balance transferred from Account (No. 2), being the excess of Territorial Remittances in 1816-17 above the amount of payments for bills drawn for interest of India debt - - - - -	£. 234,035
	By Balance of Advances made by the Territorial to the Commercial Department, at Bengal - - - - - £. 822,556	
	By - - ditto - - ditto - - Madras - - - - -	439,438
	By - - ditto - - ditto - - Bombay - - - - -	304,569
	By - - ditto - - ditto - - Bencoolen - - - - -	15,980
	By - - ditto - - ditto - - St. Helena - - - - -	19
	By - - ditto - - ditto - - P. W. Island - - - - -	195
		1,582,757
		£. 1,816,792
	By Balance due to the Commercial Branch on 30 April 1817 - - - - -	731,737
		£. 2,548,529

- - - - - 1817-18.

1818: 30 April.	BY Balance of Advances made by the Territorial to the Commercial Department at Bengal - - - - - £. 1,102,139	£.
	By - - ditto - - ditto - - Madras - - - - -	483,386
	By - - ditto - - ditto - - Bombay - - - - -	272,943
	By - - ditto - - ditto - - Bencoolen - - - - -	21,011
	By - - ditto - - ditto - - St. Helena - - - - -	115
	By - - ditto - - ditto - - P. W. Island - - - - -	4,280
		1,883,874
	By Balance due to the Commercial Branch on 30 April 1818 - - - - -	1,319,990
		£. 3,203,864

No. 7. (1.)—Territorial Branch in Account with the Commercial Branch in

1818-19. - - - - -		
1818: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of the Season 1817-18	£. 1,319,990
1819: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1818-19:	
	Officers pay - - - - -	£. 170,109
	Passage of military, and supplies to them on the voyage - - - - -	63,416
	Political freight and demorage, exclusive of amount charged on exports - - - - -	159,656
	Interest on loan of 2,500,000 <i>l.</i> from the Public in 1812 - - - - -	96,384
	Redemption of above loan - - - - -	147,418
	Political charges general, exclusive of advances recoverable in India - - - - -	273,324
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	14,489
	Sundry expenses on account of St. Helena - - - - -	7,783
	Ditto - - - P. W. Island - - - - -	500
	Territorial stores exported from England to India - - - - -	312,181
	Ditto - - - ditto - - - St. Helena - - - - -	166,837
	Ditto - - - ditto - - - P. W. Island - - - - -	825
	Ditto - - - ditto - - - Bencoolen - - - - -	1,036
	Ditto - - - from China and the Cape to India - - - - -	1,230
	Ditto - - - ditto - - - St. Helena - - - - -	40,886
	Off-reckoning funds - - - - -	61,545
	Carnatic fund - - - - -	126,487
	Advances to public institutions, &c. repayable in India - - - - -	43,617
	Remittances from China to India - - - - -	96,000
	Bills drawn from St. Helena, discharged in England - - - - -	140,770
	Ditto - P. W. Island - ditto - - - - -	146
	Ditto - Bencoolen - ditto - - - - -	3,084
	Ditto - India, effects of deceased officers, &c. - - - - -	15,045
	Cast-iron bridge, &c. for the Nabob of Oude - - - - -	95
		1,942,863
	To Balance transferred from Account (No. 2), being the excess of payments for bills drawn for interest of India debt beyond the amount of remittances realized to meet those bills - - - - -	162,623
		£. 3,425,476
1819-20. - - - - -		
1819: 1 May	TO Balance due to the Commercial Branch, under this Head, at the close of the Season 1818-19	£. 2,212,084
1820: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1819-20:	
	Officers pay - - - - -	£. 177,477
	Passage of military, and supplies to them on the voyage - - - - -	42,120
	Political freight and demorage, exclusive of amount charged on exports - - - - -	111,872
	Interest on loan of 2,500,000 <i>l.</i> from the Public in 1812 - - - - -	90,183
	Redemption of above loan - - - - -	153,562
	Political charges general, exclusive of advances recoverable in India - - - - -	285,056
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	10,805
	Sundry expenses on account of St. Helena - - - - -	10,087
	Ditto - - - P. W. Island - - - - -	1,173
	Territorial stores exported from England to India - - - - -	371,412
	Ditto - - - ditto - - - St. Helena - - - - -	94,242
	Ditto - - - ditto - - - P. W. Island - - - - -	1,545
	Ditto - - - from China and the Cape to St. Helena - - - - -	44,312
	Bullion exported to St. Helena - - - - -	52,088
	Off-reckoning funds - - - - -	84,264
	Carnatic fund - - - - -	85,448
	Advances to public institutions, &c. repayable in India - - - - -	35,000
	Bills drawn from St. Helena, discharged in England - - - - -	135,537
	Ditto - P. W. Island - - - - -	77
	Ditto - Bencoolen - - - - -	2,500
	Bills drawn from India, effects of deceased officers, &c. - - - - -	10,521
	Deduct,	
	Territorial stores from England to Bencoolen; amount recovered for short deliveries of exports of former seasons - - - - -	£. 1,799,281
		77
	To Balance transferred from Account (No. 2), being the excess of payments for bills drawn for interest of India debt beyond the amount of remittances realized to meet those bills - - - - -	1,799,204
		72,659
		£. 4,083,947

respect to Territorial and Political Payments made in England—*continued.*

- - - - - 1818-19.

1819: 30 April.	BY Balance of Advances made by the Territorial to the Commercial Department at Bengal - - - - - £. 591,017	£.
	By - - ditto - - ditto - - Madras - - - - - 411,479	
	By - - ditto - - ditto - - Bombay - - - - - 213,070	
	By - - ditto - - ditto - - St. Helena - - - - - 227	
	£. 1,215,793	
	Deduct Balance of Advances made by the Commercial to the Territorial Department at Prince of Wales Island - - - - - 2,401	
	1,213,392	
	By Balance due to the Commercial Branch, 30 April 1819 - - - - -	2,212,084
	£.	3,425,476

- - - - - 1819-20.

1820: 30 April.	BY Balance of Advances made by the Territorial to the Commercial Department at Bengal - - - - - £. 1,555,650	£.
	By - - ditto - - ditto - - Madras - - - - - 256,643	
	By - - ditto - - ditto - - Bombay - - - - - 18,897	
	By - - ditto - - ditto - - Bencoolen - - - - - 10,976	
	By - - ditto - - ditto - - P. W. Island - - - - - 600	
	By - - ditto - - ditto - - St. Helena - - - - - 1,212	
	1,843,978	
	By Balance due to the Commercial Branch on 30 April 1820 - - - - -	2,239,969
	£.	4,083,947

No 7. (1).—Territorial Branch in Account with the Commercial Branch, in

1820-21. - - - - -

1820: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of Season 1819-20	£. 2,239,969
1821: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1820-21:	
	Officers pay - - - - -	£. 179,636
	Passage of military, and supplies to them on the voyage - - - - -	40,332
	Political freight and demorage, exclusive of amount charged on exports - - - - -	71,099
	Interest on loan of 2,500,000 l. from the Public in 1812 - - - - -	83,343
	Redemption of above loan - - - - -	160,336
	Political charges general, exclusive of advances recoverable in India - - - - -	279,408
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	2,512
	Sundry expenses on account of St. Helena - - - - -	9,151
	Ditto - - - P. W. Island - - - - -	370
	Ditto - - - Bencoolen - - - - -	47
	Territorial stores exported from England to India - - - - -	364,714
	Ditto - - - ditto - - - St. Helena - - - - -	46,026
	Ditto - - - ditto - - - Bencoolen - - - - -	391
	Ditto - - - from China and the Cape to St. Helena - - - - -	34,132
	Off-reckoning funds - - - - -	58,688
	Carnatic fund - - - - -	107,802
	Advances to public institutions, &c. repayable in India - - - - -	78,353
	Bills drawn from St. Helena, discharged in England - - - - -	134,914
	Ditto - P. W. Island - ditto - - - - -	52
	Ditto - Bencoolen - ditto - - - - -	2,098
	Ditto - India, effects of deceased officers, &c. - - - - -	16,013
	Cast-iron bridge for the Nabob of Oude - - - - -	145
		1,669,562
	To Balance transferred from Account (No. 2), being the excess of payments for bills drawn for interest of India debt beyond the amount of remittances realized to meet those bills - - -	416,805
		£. 4,326,336

1821-22. - - - - -

1821: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of Season 1820-21	£. 2,370,675
1822: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1821-22:	
	Officers pay - - - - -	£. 183,974
	Passage of military, and supplies to them on the voyage - - - - -	63,448
	Political freight and demorage, exclusive of amount charged on exports - - - - -	117,015
	Interest on loan of 2,500,000 l. from the Public in 1812 - - - - -	76,593
	Redemption of above loan - - - - -	167,018
	Political charges general, exclusive of advances recoverable in India - - - - -	298,503
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	2,899
	Sundry expenses on account of St. Helena - - - - -	10,697
	Ditto - - - P. W. Island - - - - -	1,728
	Ditto - - - Bencoolen - - - - -	36
	Territorial stores exported from England to India - - - - -	321,371
	Ditto - - - ditto - - - St. Helena - - - - -	19,496
	Ditto - - - ditto - - - P. W. Island - - - - -	6,076
	Ditto - - - ditto - - - Bencoolen - - - - -	1,284
	Ditto - - - from China and the Cape to India - - - - -	1,322
	Ditto - - - ditto - - - St. Helena - - - - -	13,757
	Off-reckoning funds - - - - -	73,834
	Carnatic fund - - - - -	85,124
	Advances to public institutions, &c. repayable in India - - - - -	72,567
	Bills drawn from St. Helena, discharged in England - - - - -	117,125
	Ditto - P. W. Island - ditto - - - - -	6
	Ditto - India, effects of deceased officers, &c. - - - - -	12,832
		1,646,705
		£. 4,017,380

respect to Territorial and Political Payments made in England—*continued*.

- - - - - 1820-21.

1821 : 30 April.	BY Balance of Advances made by the Territorial to the Commercial Department, at Bengal - - - - -	£.
	£. 1,532,854	
	By - - ditto - - ditto - - Madras - - - - -	266,870
	By - - ditto - - ditto - - Bombay - - - - -	133,259
	By - - ditto - - ditto - - Bencoolen - - - - -	20,585
	By - - ditto - - ditto - - P. W. Island - - - - -	2,218
		1,955,786
	Deduct Balance of Advances made by the Commercial to the Territorial Department at St. Helena - - - - -	125
		£. 1,955,661
	By Balance due to the Commercial Branch on 30 April 1821 - - - - -	2,370,675
		£. 4,326,336

- - - - - 1821-22.

1822 : 30 April.	BY Balance transferred from Account (No. 2), being the excess of Territorial Remittances in 1821-22 above amount of Payments for Bills drawn for Interest of India Debt - - - - -	£.
		196,725
	By Balance of Advances made by the Territorial to the Commercial Department, at Bengal - - - - -	£. 1,500,482
	By - - ditto - - ditto - - Madras - - - - -	237,190
	By - - ditto - - ditto - - Bencoolen - - - - -	33,917
	By - - ditto - - ditto - - Prince of Wales Island - - - - -	1,050
		1,772,639
	Deduct Balance of Advances made by the Commercial to the Territorial Department at Bombay - - - - -	92,596
		1,680,043
	By Amount of Unclaimed Prize Money received in England, applicable to Lord Clive's Fund - - - - -	51,121
		£. 1,927,889
	By Balance due to the Commercial Branch on 30 April 1822 - - - - -	2,089,491
		£. 4,017,380

No. 7. (1.)—Territorial Branch in Account with the Commercial Branch in

1822-23. - - - - -

1822. 1st May.	TO Balance due to the Commercial Branch, under this Head, at the close of Season 1821-22	£. 2,089,491
1823. 30th April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1822-23:	
	Officers pay - - - - -	£. 195,698
	Passage of military, and supplies to them on the voyage - - - - -	102,092
	Political freight and demorage, exclusive of amount charged on exports - - - - -	69,077
	Redemption of loan of 2,500,000 l. from the Public in 1812 - - - - -	557,335
	Political charges general, exclusive of advances recoverable in India - - - - -	323,724
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	1,641
	Sundry expenses on account of St. Helena - - - - -	10,392
	Ditto - - - - P. W. Island - - - - -	314
	Territorial stores exported from England to India - - - - -	365,826
	Ditto - - ditto - - St. Helena - - - - -	45,097
	Ditto - - ditto - - Bencoolen - - - - -	1,586
	Ditto - - ditto - - P. W. Island - - - - -	4,120
	Ditto - - from China and the Cape to St. Helena - - - - -	15,639
	Off-reckoning funds - - - - -	65,374
	Carnatic fund - - - - -	96,014
	Advances to public institutions, &c., repayable in India - - - - -	67,941
	Bills drawn from St. Helena, discharged in England - - - - -	76,682
	Ditto - Bencoolen - ditto - - - - -	1,557
	Ditto - India, effects of deceased officers, &c. - - - - -	11,293
	Demands of Pay-office General, on account of King's troops serving in India - - - - -	100,000
		2,111,402
		£. 4,200,893

1823-24. - - - - -

1823: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of Season 1822-23	£. 1,564,638
1824: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1823-24:	
	Officers pay - - - - -	£. 199,431
	Passage of military, and supplies to them on the voyage - - - - -	41,539
	Political freight and demorage, exclusive of amount charged upon exports - - - - -	95,763
	Political charges general, exclusive of advances recoverable in India - - - - -	298,972
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	2,228
	Sundry expenses on account of St. Helena - - - - -	2,988
	Ditto - - - - P. W. Island - - - - -	206
	Retiring pay, pensions, &c. to King's troops - - - - -	120,002
	Territorial stores exported from England to India - - - - -	395,276
	Ditto - - ditto - - St. Helena - - - - -	37,170
	Ditto - - ditto - - Bencoolen - - - - -	8,218
	Ditto - - from China and the Cape to St. Helena - - - - -	13,430
	Off-reckoning funds - - - - -	133,383
	Carnatic fund - - - - -	99,173
	Advances to public institutions, &c., repayable in India - - - - -	93,032
	Bills drawn from St. Helena, discharged in England - - - - -	43,564
	Ditto - India, effects of deceased officers, &c. - - - - -	44,932
		1,629,307
	To Balance transferred from Account (No. 2), being the excess of payments for bills drawn for principal and interest of India debt beyond the amount of remittances realized to meet those bills - - - - -	2,204,514
		£. 5,398,459

respect to Territorial and Political Payments made in England—*continued.*

1822-23.	
1823: 30 April.	BY Balance transferred from Account (No. 2), being the excess of Territorial Remittances in 1822-23 above amount of Payments for Bills drawn for Interest of India Debt - - - - - £. 374,389 By Balance of Advances made by the Territorial to the Commercial Department at Bengal - - - - - £. 1,744,614 By - - ditto - - ditto - - Madras - - - - - 165,213 By - - ditto - - ditto - - Bombay - - - - - 304,034 By - - ditto - - ditto - - St. Helena - - - - - 288 By - - ditto - - ditto - - Bencoolen - - - - - 43,087 By - - ditto - - ditto - - Prince of Wales Island - - - - - 1,226 2,258,462 By Amount of unclaimed Prize Money received in England, applicable to Lord Clive's Fund - - - - - 3,404 £. 2,636,255 By Balance due to the Commercial Branch on 30 April 1823 - - - - - 1,564,638 £. 4,200,893

1823-24.	
1824: 30 April.	By Balance of Advances made by the Territorial to the Commercial Department : At Bengal - - - - - £. 1,957,929 Madras - - - - - 147,046 Bombay - - - - - 108,790 Bencoolen - - - - - 43,173 St. Helena - - - - - 951 2,257,889 By Amount of unclaimed Prize Money received in England, applicable to Lord Clive's Fund - - - - - 2,423 £. 2,260,312 By Balance due to the Commercial Branch, 30 April 1824 - - - - - 3,138,147 £. 5,398,459

No. 7. (1.)—Territorial Branch in Account with the Commercial Branch in

1824-25. - - - - -

1824: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of Season 1823-24	£. 3,138,147
1825: 30 April	To Amount of Territorial Advances and Charges in England, &c., in the year 1824-25:	
	Officers pay - - - - -	£. 220,940
	Passage of military, and supplies to them on the voyage - - - - -	63,383
	Political freight and demorage, exclusive of amount charged on exports - - - - -	132,499
	Political charges general, exclusive of advances recoverable in India - - - - -	319,026
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	1,905
	Sundry expenses on account of St. Helena - - - - -	5,190
	Ditto - - - - - P. W. Island - - - - -	262
	Retiring pay, pensions, &c. to King's troops - - - - -	60,000
	Demands of Pay-office General, in respect of King's troops serving in India - - - - -	347,887
	Tanjore debts, charges of commission - - - - -	1,191
	Territorial stores exported from England to India - - - - -	414,181
	Ditto - - - - - ditto - - - - - St. Helena - - - - -	55,910
	Ditto - - - - - ditto - - - - - P. W. Island - - - - -	3,754
	Ditto - - - - - from China and the Cape to St. Helena - - - - -	8,153
	Ditto - - - - - ditto - - - - - Bengal - - - - -	1,246
	Off-reckoning funds - - - - -	70,814
	Carnatic fund - - - - -	87,948
	Advances to public institutions, &c. repayable in India - - - - -	88,506
	Bills drawn from St. Helena, discharged in England - - - - -	44,443
	Ditto - - - Bencoolen - - - ditto - - - - -	1,200
	Ditto - - - India, effects of deceased officers, &c. - - - - -	21,870
		1,950,308
		£. 5,088,455

1825-26. - - - - -

1825: 1 May	TO Balance due to the Commercial Branch, under this Head, at the close of Season 1824-25	£. 2,240,756
1826: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1825-26:	
	Officers pay - - - - -	£. 241,555
	Passage of military, and supplies to them on the voyage - - - - -	123,100
	Political freight and demorage, exclusive of amount charged on exports - - - - -	75,022
	Political charges general, exclusive of advances recoverable in India - - - - -	334,511
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	3,075
	Sundry expenses on account of St. Helena - - - - -	6,351
	Ditto - - - - - P. W. Island, Singapore and Malacca - - - - -	247
	Retiring pay, pensions, &c. to King's troops - - - - -	60,000
	Demands of Pay-office General, in respect of King's troops serving in India - - - - -	120,000
	Tanjore debts, charges of commission - - - - -	1,194
	Civil establishments of India, absentee allowance - - - - -	245
	Territorial stores exported from England to India - - - - -	740,728
	Ditto - - - - - ditto - - - - - St. Helena - - - - -	53,136
	Ditto - - - - - ditto - - - - - P. W. Island, Singapore and Malacca - - - - -	9,329
	Ditto - - - - - China and the Cape to St. Helena - - - - -	12,799
	Off-reckoning funds - - - - -	114,279
	Carnatic fund - - - - -	91,126
	Advances to public institutions, &c. repayable in India - - - - -	118,664
	Bills drawn from St. Helena, discharged in England - - - - -	36,344
	Ditto - - - India, effects of deceased officers, &c. - - - - -	50,529
		2,192,234
	To Claims allowed out of prize money applicable to Lord Clive's Fund - - - - -	599
	To Claims of His Majesty's Government for cinnamon, delivered subsequently to the 30th April 1822, the Territorial Branch having received credit prior to that date for the whole quantity of cinnamon supplied under the contract - - - - -	29,054
	To Balance transferred from the Account (No. 2), being the excess of payments for bills drawn for principal and Interest of India Debt, &c. beyond the amount of remittances realized to meet those bills - - - - -	1,030,892
		£. 5,493,535

respect to Territorial and Political Payments made in England—*continued.*

- - - - - 1824-25.		
1825: 30 April.	BY Balance transferred from Account (No. 2), being the excess of Territorial Remittances in 1824-25 beyond the amount of Payments for Bills drawn for Principal and Interest of India Debt, &c. - - - - -	£. 170,122
	By Balance of Advances made by the Territorial to the Commercial Department:	
	At Bengal - - - - - £. 2,247,704	
	Madras - - - - - 222,767	
	Bombay - - - - - 144,266	
	St. Helena - - - - - 781	
	Bencoolen - - - - - 59,313	
		2,674,831
	By Amount of unclaimed Prize Money received in England, applicable to Lord Clive's Fund - - - - -	2,746
		£. 2,847,699
	By Balance due to the Commercial Branch, 30 April 1825 - - - - -	2,240,756
		£. 5,088,455

- - - - - 1825-26.		
1826: 30 April	BY Balance of Advances made by the Territorial to the Commercial Department:	£.
	At Bengal - - - - - £. 2,062,441	
	Madras - - - - - 94,921	
	Bombay - - - - - 71,783	
	St. Helena - - - - - 1,773	
	P. W. Island - - - - - 24,643	
		2,255,561
	By Balance due to the Commercial Branch, 30 April 1826 - - - - -	3,237,974
		£. 5,493,535

No. 7. (1.)—Territorial Branch in Account with the Commercial Branch in

1826-27. - - - - -

1826: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of Season 1825-26 - - - - -	£. 3,237,974
1827: 30 April.	To Amount of Territorial Advances and Charges in England, &c., in the year 1826-27:	
	Officers pay - - - - -	£. 252,940
	Passage of military, and supplies to them on the voyage - - -	106,474
	Political freight and demorage, exclusive of amount charged on exports	93,239
	Political charges general, exclusive of advances recoverable in India -	336,263
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	3,702
	Sundry expences on account of St. Helena - - - - -	4,939
	Ditto - - ditto - - P. W. Island, Singapore and Malacca	1,559
	Retiring pay, pensions, &c. to King's troops - - - - -	60,000
	Demands of the Pay-office General, in respect of King's troops serving in India - - - - -	234,470
	Tanjore debts, charges of the commission - - - - -	1,561
	Civil establishments of India, absentee allowance, and Bengal annuity fund - - - - -	13,739
	Territorial stores exported from England to India - - - - -	1,111,792
	Ditto - - ditto - - St. Helena - - - - -	46,835
	Ditto - - ditto - - P. W. Island, Singapore and Malacca - - -	9,500
	Ditto - - from China and the Cape to India - - -	2,833
	Ditto - - ditto - - St. Helena - - - - -	10,166
	Off-reckoning funds - - - - -	168,169
	Carnatic fund - - - - -	106,059
	Advances to public institutions, &c., repayable in India - - -	122,561
	Bills drawn from St. Helena, discharged in England - - -	36,891
	Ditto - - India, effects of deceased officers, &c. - - -	77,494
	Expense of naval force employed in India - - - - -	44,749
		2,845,935
	To Balance transferred from the Account (No. 2), being the excess of payments for bills of exchange drawn for principal and interest of India debt, &c., beyond the amount of remittances realized to meet those bills - - - - -	411,247
		£. 6,495,156

respect to Territorial and Political Payments made in England—continued.

- - - - - 1826-27.

1827: 30 April.	BY Balance of Advances made by the Territorial to the Commercial Department:	£.
	At Bengal - - - - -	£. 2,212,901
	Madras - - - - -	244,427
	Bombay - - - - -	117,129
	St. Helena - - - - -	1,427
	P. W. Island - - - - -	2,602
		2,578,486
	By Amount of unclaimed Prize Money received in England, applicable to Lord Clive's Fund - - - - -	3,352
		£. 2,581,838
	By Balance due to Commercial Branch, 30 April 1827 - - - - -	3,913,318
		£. 6,495,156

(continued)

No. 7. (1.)—Territorial Branch in Account with the Commercial Branch in

1827-28. - - - - -		
1827: 1 May.	TO Balance due to the Commercial Branch, under this Head, at close of Season 1826-27 - - - - -	£. 3,913,318
	Deduct, Amount of sundry Adjustments to 30 April 1827, in the Territorial Charges paid in England operating in reduction of the Balance due to the Commercial Branch - - - - -	39,640
		3,873,678
1828: 30 April.	To Amount of Territorial Charges and Advances in England, &c., in 1827-28:	
	Officers pay - - - - -	£. 279,564
	Passage of military, and supplies to them on the voyage - - -	68,761
	Political freight and demorage, exclusive of amount charged on exports - - -	134,435
	Political charges general, exclusive of advances recoverable in India - - -	335,174
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	619
	Sundry expenses on account of St. Helena - - - - -	12,614
	Ditto - - ditto - P. W. Island, Singapore and Malacca - - -	1,268
	Retiring pay, pensions, &c. to King's troops - - - - -	60,000
	Demands of the Pay-office General, in respect to ditto - - - - -	211,452
	Tanjore debts, charges of the commission - - - - -	1,673
	Civil establishments of India, absentee allowance and passage-money - - -	29,876
	Ditto - - - - Annuity funds - - - - -	7,866
	Territorial stores exported from England to India - - - - -	805,016
	Ditto - - ditto - St. Helena - - - - -	44,372
	Ditto - - ditto - P. W. Island, &c. - - - - -	3,064
	Ditto - - China and the Cape to India - - - - -	1,387
	Ditto - - ditto - St. Helena - - - - -	10,133
	Off-reckoning funds - - - - -	120,308
	Carnatic fund - - - - -	118,440
	Advances to public institutions, &c., repayable in India - - - - -	130,800
	Bills drawn from St. Helena, discharged in England - - - - -	49,382
	Ditto - P. W. Island - - ditto - - - - -	40
	Ditto - India, effects of deceased officers, &c. - - - - -	49,008
	To Claims allowed out of Prize-Money, applicable to Lord Clive's Fund - - -	2,475,252
	To Balance transferred from Account (No. 2), being the excess of payments for bills of exchange drawn for principal and interest of India debt, &c. beyond the amount of remittances realized to meet those bills - - - - -	125
	To adjustment in the amount of Territorial Charges paid in England, arising from the amount of those charges not having been fully ascertained at the period of making up the annual account of receipts and payments for the year 1827-28 - - -	427,397
		23,161
		£. 6,799,613

respect to Territorial and Political Payments made in England—*continued.*

- 1827-28.

1828:
30 April.

BY Balance of Advances made by the Territorial to the Commercial Department:

£.

At Bengal - - - - - £. 2,608,032

Madras - - - - - 358,628

Bombay - - - - - 173,857

St. Helena - - - - - 2,541

P. W. Island - - - - - 48

3,143,106

By Balance due to the Commercial Branch, on 30 April 1828 - - - -

3,656,507

£. 6,799,613

(continued.)

No. 7. (1.)—Territorial Branch in Account with the Commercial Branch in

1828-29. - - - - -

1828: 1 May.	TO Balance due to the Commercial Branch, under this Head, at the close of the Season 1827-28 - - - - -	£.	3,656,507
1829: 30 April.	To Amount of Territorial Charges and Advances in England, in 1828-29:		
	Officers pay - - - - -	£.	301,356
	Passage of military, and supplies to them on the voyage - - -		72,730
	Political freight and demorage, exclusive of amount charged on exports -		106,663
	Political charges general, exclusive of advances recoverable in India -		366,532
	Sundry expenses on account of St. Helena - - - - -		5,285
	Ditto - - ditto - - P. W. Island, &c. - - - - -		1,202
	Retiring pay, pensions, &c. to King's troops - - - - -		60,000
	Demands of the Pay-office General, in respect to ditto - - - - -		354,801
	Tanjore debts, charges of the commission - - - - -		1,705
	Civil establishments of India, absentee allowance and passage-money -		36,369
	Amount paid under the arrangement entered into with the government of Persia - - - - -		124,444
	Civil establishments of India, annuity funds - - - - -		14,555
	Territorial stores exported from England to India - - - - -		449,754
	Ditto - - ditto - - St. Helena - - - - -		49,986
	Ditto - - ditto - - P. W. Island, &c. - - - - -		3,834
	Off-reckoning funds - - - - -		86,716
	Carnatic fund - - - - -		94,583
	Advances to public institutions, &c. repayable in India - - - - -		139,300
	Bills drawn from St. Helena, discharged in England - - - - -		45,255
	Ditto from India, effects of deceased officers, &c. - - - - -		60,109
		£.	2,375,179
	Payments at China and the Cape to military officers, His Majesty's Navy, &c. - - - - -	£.	3,680
	Territorial stores exported from China and Cape to India - - - - -		11,050
	Ditto - - ditto - - St. Helena - - - - -		11,284
			26,014
	Deduct,	£.	2,401,193
	Amount of sundry adjustments in Territorial Charges in England, operating in reduction of the above amount - - - - -		547
			2,400,646
		£.	6,057,153

East India House, }
6 April 1832. }

respect to Territorial and Political Payments made in England—*continued*.

- - - - - 1828-29.

1829:
30 April.

BY Amount of Unclaimed Prize Money received in England, applicable to Lord Clive's Fund - - - - -

£.

1,968.

By Balance transferred from Account (No. 2), being the excess of Territorial Remittances in 1828-29 beyond the amount of Payments for Bills drawn on account of Principal and Interest of India Debt, &c. - - - - -

37,756

By Balance of Advances made by the Territorial to the Commercial Department:

At Bengal - - - - - £. 2,599,097

Madras - - - - - 262,778

Bombay - - - - - 117,000

St. Helena - - - - - 1,961

P. W. Island - - - - - 12

2,980,848

£.

3,020,572

By Balance due to the Commercial Branch, on the 30th April 1829 - - - - -

3,036,581.

Balance due to the Commercial Branch, on 30th April 1829,
exclusive of interest brought down - - - - -

£. 3,036,581

Add,

Interest accrued on the above Account from 1814-15 to
1828-29, as taken credit for in the Account of the
Company's Profits (No. 3.) - - - - -

1,536,078

Amount expended by the Commerce, for articles intended
for exportation in the Territorial Branch, not chargeable in
the Account Current with the Territory (under the arrange-
ment of 1814) until the period of their shipment, but
remaining as an asset in the Territorial Branch - - -

59,247

TOTAL Balance due to the Commercial Branch as above,
as shown in the Account of the Company's Commercial
Capital on 1 May 1829 (No. 2.) - - - - -

£. 4,631,906

£.

6,057,153

(Errors excepted.)

(signed)
m 2Thomas S. Cabell,
Depy Acct Genl.

No. 7. (2.)—TERRITORIAL BRANCH of the AFFAIRS of the EAST INDIA COMPANY in Account of Interest on Indian Debt, &c., in each Year,

1814-15. - - - - -		
1815: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1814-15 - - - - -	£. 834,022
		£. 834,022
1815-16. - - - - -		
1816: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1815-16 - - - - -	£. 412,039
		£. 412,039
1816-17. - - - - -		
1817: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1816-17 - - - - -	£. 270,031
	To Balance, being the excess of Territorial Remittances realized in the current year above the amount of Bills for Interest on Indian Debt discharged in the same period; transferred to the credit of the Account with the Territorial Branch (No. 1.) - - - - -	234,035
		£. 504,066

with the COMMERCIAL BRANCH, in respect to Bills of Exchange drawn from *India*, on account from 1st May 1814 to 1st May 1829.

- - - - - 1814-15.		
1815. 30 April:	BY Amount of Remittances realized in 1814-15 to meet Payments made per Contra: Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - - £. 142,756 Ditto for bills drawn by the Court on India - - - - - 7,891 Ditto of Government, on further account of the Company's claims on the Public - - - - - 103,223 Sum passed to the credit of Government, in their Account with the Company; viz. Net produce of spices sold in the Year - - - - - 154,521 Net produce of bullion received per Stirling Castle from Fort St. George - - - - - 324,015 Deduct, £. 732,406 Disbursements in England and China, on account of the Public, included in the Company's claims upon Government in the Territorial Department - - - - - 74,639 By Balance, being the excess of bills of exchange, on account of interest on Indian Debt discharged in England in the year, beyond the amount of Remittances realized to meet the payment of those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	£. 657,767 176,255 £. 834,022
- - - - - 1815-16.		
1816: 30 April.	BY Amount of Remittances realized in 1815-16 to meet Payments made per Contra: Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - - £. 154,673 Ditto for bills drawn by the Court on India - - - - - 520 Sum passed to the credit of Government, in their Account with the Company; viz. Net produce of spices sold in the year - - - - - 118,030 Deduct, £. 273,223 Disbursements in England and China, on account of the Public, included in the Company's claims upon Government in the Territorial Department - - - - - 152,941 By Balance, being the excess of bills of exchange, on account of interest on Indian Debt discharged in England in the year, beyond the amount of Remittances realized to meet the payment of those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	£. 120,282 291,757 £. 412,039
- - - - - 1816-17.		
1817: 30 April.	BY Amount of Remittances realized in 1816-17 to meet Payments made per Contra: Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - - £. 123,484 Ditto for bills drawn by the Court on India - - - - - 517 Ditto of Government, on further account of Company's claims on the Public - - - - - 387,145 Sum passed to the credit of Government, in their Account with the Company; viz. Net produce of spices sold in the year - - - - - 26,932 Deduct, £. 538,078 Disbursements in England and China, on account of the Public, included in the Company's claims upon Government in the Territorial Department - - - - - 34,012	£. 504,066

No. 7. (2.)—Territorial Branch in Account with the Commercial Branch, in respect

1817-18. - - - - -		
1818: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for	£.
	Interest on Indian Debt, 1817-18 - - - - -	396,076
	To Treasury Notes of the Indian governments, discharged in England by Bills of Exchange - - - - -	158,617
		£. 554,693
1818-19. - - - - -		
1819: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for	£.
	Interest on Indian Debt, 1818-19 - - - - -	611,431
		£. 611,431
1819-20. - - - - -		
1820: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for	£.
	Interest on Indian Debt, 1819-20 - - - - -	355,514
	To Treasury Notes of the Bombay government, discharged in England by Bills of Exchange - - - - -	76,946
		£. 432,460

to Bills of Exchange drawn on account of Interest on Indian Debt, &c.—*continued*.

- - - - - 1817-18.

1818: 30 April.	BY Amount of Remittances realized in 1817-18 to meet Payments made per Contra: Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - - £. 71,113 Ditto for bills drawn by the Court on India - - - - - 481 Sum passed to the credit of Government, in their Account with the Company; viz. Net produce of spices sold in the year - - - - - 110,616 Deduct, Disbursements in England and China, on account of the Public, included in the Company's claims upon government in the Territorial Department - - - 26,596 By Balance, being the excess of bills of exchange, on account of interest on Indian Debt discharged in England in the year, beyond the amount of Remittances realized to meet the payment of those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	£. 155,614 399,079 £. 554,693
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- - - - - 1818-19.

1819: 30 April.	BY Amount of Remittances realized in 1818-19 to meet Payments made per Contra: Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - - £. 162,464 Ditto for bills drawn by the Court on India - - - - - 425 Sum passed to the credit of Government, in their Account with the Company; viz. Net produce of spices sold in the year - - - - - 77,432 Payment from the Dutch government, for bills drawn on them - - - 198,182 Ditto from the Navy Board, for ships built for His Majesty's service - - 26,874 Deduct, Disbursements in England and China, on account of the Public, included in the Company's claims upon Government in the Territorial Department - - - 16,569 By Balance, being the excess of bills of exchange, on account of interest on Indian Debt discharged in England in the year, beyond the amount of Remittances realized to meet the payment of those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	£. 448,808 162,623 £. 611,431
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- - - - - 1819-20.

1820: 30 April.	BY Amount of Remittances realized in 1819-20 to meet Payments made per Contra: Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - - £. 136,541 Ditto for bills drawn by the Court on India - - - - - 1,010 Sum passed to the credit of Government, in their Account with the Company; viz. Net produce of spices sold in the year - - - - - 70,555 Payment from the Dutch government, for bills drawn on them - - - 107,243 Ditto from the Navy Board, for ships built in India for His Majesty's service - 40,275 Disbursements in England on account of the Public service, excess of credits to that Account - - - - - 4,177 By Balance, being the excess of bills of exchange, on account of interest on Indian Debt discharged in England in the year, beyond the amount of Remittances realized to meet the payment of those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	£. 359,801 72,659 £. 432,460
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No. 7. (2.)—Territorial Branch in Account with the Commercial Branch, in respect

1820-21. - - - - -		
1821: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1820-21 - - - - -	£. 678,988
	To Treasury Notes of the Bombay government, discharged in England by Bills of Exchange - - - - -	39,801
		£. 718,789
1821-22. - - - - -		
1822: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1821-22 - - - - -	£. 1,562,522
	To Balance, being the excess of Territorial Remittances realized in the current year above the amount of Bills for Interest on Indian Debt discharged in the same period; transferred to the credit of the Account with the Territorial Branch (No. 1.) - - - - -	196,725
		£. 1,759,247
1822-23. - - - - -		
1823: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1822-23 - - - - -	£. 1,419,587
	To Balance, being the excess of Territorial Remittances realized in the current year above the amount of Bills for Interest on Indian Debt discharged in the same period; transferred to the credit of the Account with the Territorial Branch (No. 1.) - - - - -	374,389
		1,793,976

to Bills of Exchange drawn on account of Interest on Indian Debt, &c.—*continued*.

- - - - - 1820-21.

1821 : 30 April.	BY Amount of Remittances realized in 1820-21 to meet Payments made per Contra :	£.
	Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - -	£. 200,561
	Ditto for bills remitted from Holland, received in discharge of bills drawn on the government of the Netherlands - - - - -	42,086
	Ditto for bills drawn by the Court on India - - - - -	7,728
	Ditto of the Congregation de Propagandâ Fide, on account of advances made to missionaries in India - - - - -	200
	Sum passed to the credit of Government in their Account with the Company; viz.	
	Net Produce of spices sold in the year - - - - -	55,403
	Deduct,	
	Disbursements in England and China, on account of the Public, included in the Company's claim upon Government in the Territorial Department - - -	£. 305,978
		3,994
		301,984
	By Balance, being the excess of Bills of Exchange, on account of Interest on Indian Debt discharged in England in the year, beyond the amount of Remittances realized to meet the payment of those Bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	416,805
		£. 718,789

- - - - - 1821-22.

1822 : 30 April.	BY Amount of Remittances realized in 1821-22 to meet Payments made per Contra :	£.
	Received for bills drawn in the Company's, favour for supplies furnished from Territorial funds in India - - - - -	£. 130,058
	Sum passed to the credit of Government, in their Account with the Company; viz.	
	Net produce of spices sold in the year - - - - -	20,542
	Received of Government, on account of sums advanced to His Majesty's land forces at St. Helena - - - - -	117,236
	Amount directed to be applied by the Bengal government, under the Court's Orders of 29th June 1821, to the redemption of Indian Debt, as a mode of remittance of equal amount, to meet interest bills paid by means of surplus Commercial profits - - - - -	1,500,000
		£. 1,767,836
	Deduct,	
	Disbursements in England, on account of the Public, included in the Company's claims upon Government in the Territorial Department - - - - -	8,589
		1,759,247

- - - - - 1822-23.

1823 : 30 April.	BY Amount of Remittances realized in 1822-23 to meet Payments made per Contra :	£.
	Received for Bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - -	£. 148,365
	Produce of Molucca spices sold in the Year - - - - -	22,777
	Produce of bullion received from India - - - - -	1,623,958
		£. 1,795,100
	Deduct,	
	Disbursements in England on account of the Public, included in the Company's claims upon Government in the Territorial Department - - - - -	1,124
		1,793,976

No. 7. (2.)—Territorial Branch in Account with the Commercial Branch, in respect

1823-24. - - - - -		
1824: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1823-24 - - - - - To Amount of Bills drawn for Principal of Indian Debt, discharged in England, in 1823-24, in excess of the Amount agreed to be discharged from Surplus Commercial Profits: Total amount of principal of bills discharged as above - - - - - £. 2,965,333 Deduct, amount agreed to be discharged from surplus commercial profits - - - - - 1,396,842 To Amount of sundry Payments in England, to be deducted from Funds realized, per Contra; viz. Charges, on account of the importation of bullion in 1822-23, on the Territorial account - - - - - £. 1,459 Freight of stores, &c., chargeable to His Majesty's Government - - - - - 45 Payments to His Majesty's Government, on account of spices imported from the Moluccas - - - - - 112,303	£. 620,132 1,568,491 113,807 £. 2,302,430
1824-25. - - - - -		
1825: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1824-25 - - - - - To Amount of Bills drawn for Principal of Indian Debt, discharged in England, 1824-25 - To Amount of sundry Payments in England, to be deducted from Funds realized, per Contra: Freight of stores, &c., chargeable to His Majesty's Government - - - - - £. 2,132 Payments to His Majesty's Government, on account of proceeds of spices from the Moluccas - - - - - 69,438 To Balance, being the excess of Territorial Remittances realized in the current year above the amount of bills for principal and interest on Indian Debt, &c., discharged in the same period; transferred to the credit of the Account with the Territorial Branch (No. 1.) -	£. 421,138 415,470 71,570 908,178 170,122 £. 1,078,300
1825-26. - - - - -		
1826: 30 April.	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1825-26 - - - - - To Amount of Bills drawn for Principal of Indian Debt, discharged in England, in 1825-26 To Amount of Bills drawn for Cash received into the Indian Treasuries under Advertisements of the Governments, discharged in England in 1825-26 - - - - - To Amount of sundry Payments in England, to be deducted from Funds realized, per Contra: Charges on importations of bullion in former years, on the Territorial Account - - - - - £. 2,988 Freight of stores, &c., chargeable to His Majesty's Government - - - - - 1,618 Payments to His Majesty's Government, on account of proceeds of the Molucca spices, accrued both in India and in England - - - - - 110,973	£. 430,039 576,715 100,428 1,107,182 115,579 £. 1,222,761

to Bills of Exchange drawn on account of Interest on Indian Debt, &c.—continued.

1823-24.

1824 : 30 April.	BY Amount of Remittances realized in 1823-24 to meet Payments made per Contra :	£.
	Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - -	£. 57,046
	Ditto, for bills drawn by the Court on India - - - - -	7,810
	Produce of Molucca spices sold in the year - - - - -	33,060
		97,916
	By Balance, being the excess of payments for bills drawn for principal and interest on Indian Debt, &c. beyond the amount of Remittances realized to meet those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	2,204,514
		£. 2,302,430

1824-25.

1825 : 30 April.	BY Amount of Remittances realized in 1824-25 to meet Payments made per Contra :	£.
	Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - -	£. 38,325
	Ditto, for bills drawn by the Court on India - - - - -	1,820
	Produce of Molucca spices sold in the year - - - - -	48,992
	Ditto of Bullion received from India - - - - -	989,163
		£. 1,078,300

1825-26.

1826 : 30 April.	BY Amount of Remittances realized in 1825-26 to meet Payments made per Contra :	£.
	Received for bills drawn in the Company's favour, for supplies furnished from the Territorial funds in India - - - - -	£. 132,717
	Ditto, for bills drawn by the Court on India - - - - -	1,570
	Produce of Molucca spices sold in the year - - - - -	53,871
	Received of His Majesty's Government, on account of expenses at St. Helena, subsequently to 30th April 1822 - - - - -	3,711
		191,869
	By Balance, being excess of payments for bills drawn for principal and interest on Indian Debt, &c. beyond the amount of Remittances realized to meet those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	1,030,892
		£. 1,222,761

No. 7. (2.)— Territorial Branch in Account with the Commercial Branch, in respect

1826-27. - - - - -

1827: 30 April.		£.
	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt, 1826-27 - - - - -	423,290
	To Amount of Bills drawn for Principal of India Debt, discharged in England in 1826-27, beyond the amount agreed to be discharged from Surplus Profits - - - - -	79,518
	To Amount of Bills drawn for Cash received into the Indian Treasuries under Advertisements of the Governments, discharged in England in 1826-27 - - - - -	1,449
		£. 504,257
	To Amount of sundry Payments in England, to be deducted from Funds realized, per Contra:	
	Charges on importations of bullion in former years on the Territorial Account - £. 620	
	Freight of stores, &c., chargeable to Government - - - - - 3,761	4,381
		£. 508,638

1827-28. - - - - -

1828: 30 April.		£.
	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian debt in 1827-28 - - - - -	522,438
	To Amount of Bills drawn for Principal of Indian Debt, discharged in England in 1827-28, beyond the amount agreed to be defrayed from Surplus Profits - - - - -	5,701
		£. 528,139
	To Amount of sundry Payments in England, to be deducted from Funds realized per Contra:	
	Freight of stores, &c., chargeable to His Majesty's Government - - - - -	5,162
		£. 533,301

1828-29. - - - - -

1829: 30 April.		£.
	TO Amount of Payments actually made on account of Bills of Exchange drawn for Interest on Indian Debt in 1828-29 - - - - -	640,570
	To ditto, for Principal of Indian Debt, beyond the amount agreed to be defrayed from Surplus Profits - - - - -	3,470
	To Amount of sundry Payments in England, &c., to be deducted from Funds realized per Contra:	
	Freight of stores, &c., chargeable to His Majesty's Government - - - - - £. 3,309	
	Loan to His Majesty's Government at the Cape of Good Hope, transferred for adjustment in the general Government Account - - - - - 18,203	21,512
		£. 665,552
	To Balance, being the excess of Territorial Remittances received in the current year above the amount of bills for principal and interest of Indian Debt, &c., discharged in the same period; transferred to the credit of the Account with the Territorial Branch (No. 1.) -	37,756
		£. 703,308

to Bills of Exchange drawn on account of Interest on Indian Debt, &c.—*continued.*

- - - - - 1826-27.

1827: 30 April.	BY Amount of Remittances realized in 1826-27 to meet Payments made per Contra :	£.
	Received for bills drawn in the Company's favour, for supplies furnished from Territorial funds in India - - - - -	£. 22,891
	Received for bills drawn by the Court on India - - - - -	1,770
	Produce of Molucca spices sold in the year - - - - -	1,105
	Received of His Majesty's Government, in repayment of advances in India, not covered by bills of exchange - - - - -	71,625
		97,391
	By Balance, being excess of payments for bills drawn for principal and interest on Indian Debt, &c., beyond the amount of Remittances realized to meet those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	411,247
		£. 508,638

- - - - - 1827-28.

1828: 30 April.	BY Amount of Remittances realized in 1827-28 to meet Payments made per Contra :	£.
	Received for bills drawn by the Court on India - - - - -	£. 2,252
	Received for bills drawn in the Company's favour, for supplies furnished from the Territorial funds in India - - - - -	103,652
		105,904
	BY Balance, being excess of payments for bills drawn for principal and interest on Indian Debt, &c., beyond the amount of Remittances realized to meet those bills; transferred to the debit of the Account with the Territorial Branch (No. 1.) - - - - -	427,397
		£. 533,301

- - - - - 1828-29.

1829: 30 April.	BY Amount of Remittances realized in England in 1828-29, to meet Payments made per Contra :	£.
	Received for bills drawn by the Court on India - - - - -	3,285
	Received for bills drawn in the Company's favour, for supplies furnished from the Territorial Funds in India - - - - -	61,728
	Amount received of His Majesty's Government, in repayment of advances in India, not covered by bills of exchange - - - - -	8,597
	Produce of bullion received from India on the Territorial and Political Account - - -	629,698
		£. 703,308

(Errors excepted.)

(signed)

Thos. S. Cabell,

Dep^y Acc^t Gen^l.

(Appendix to No. 7.)

ADVANCES made by the TERRITORIAL and COMMERCIAL BRANCHES to each other in *India*; being the between the Territorial and Commercial

B E N G A L.

ADVANCES by the TERRITORIAL to the COMMERCIAL BRANCH.

	Advances from the General and Revenue Treasuries for Provision of Investment for Europe and China, and for Payment of Commercial Charges, including Drafts of the Supracargoes.	Indian Customs chargeable upon the Company's Trade.	Advances and Payments to Commanders and Officers of Company's Trading Ships.	Import and Export Goods, Consignments from other Presidencies, made over to the Commercial Department.	Territorial Stores transferred to the Commercial Department.	Discount allowed to Purchasers at Import Sales 1814-15 to 1817-18 inclusive, charged in those Years to the Territorial Branch.	Stationery supplied to the Commercial Offices.	Saltpetre transferred from the Allahabad Gunpowder Manufactory to the Refinery at Ishapore, for eventual Shipment to England.
Season :	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.
1814-15	1,01,59,957 10 7	5,34,609 11 4	1,03,334 5 2	- - -	- - -	- - -	- - -	- - -
1815-16	1,31,83,690 7 10	1,65,563 6 -	1,20,357 4 11	3,36,629 11 9	- - -	- - -	- - -	- - -
1816-17	1,06,20,325 5 -	1,95,663 10 -	95,676 12 3	2,69,432 10 -	- - -	- - -	- - -	- - -
1817-18	1,24,43,229 11 10	2,24,885 13 2	1,38,614 13 8	4,54,289 5 5	- - -	- - -	- - -	- - -
1818-19	92,92,673 6 5	1,65,704 4 11	1,00,511 9 9	20,408 6 8	- - -	- - -	- - -	- - -
1819-20	1,61,41,889 5 2	2,93,700 13 3	72,808 1 3	53,164 10 3	- - -	- - -	- - -	- - -
1820-21	1,57,85,741 6 -	2,82,810 4 10	19,596 3 8	61,890 13 8	9,082 1 5	66,887 2 4	- - -	- - -
1821-22	1,64,70,156 8 6	2,58,912 4 6	58,346 9 6	35,884 11 5	10,446 6 5	- - -	- - -	- - -
1822-23	1,78,99,717 6 11	2,59,858 2 1	25,961 9 7	57,092 4 4	4,374 4 6	- - -	- - -	- - -
1823-24	1,96,70,888 13 5	1,34,260 13 5	9,215 8 8	76,885 12 9	1,134 14 11	- - -	- - -	- - -
1824-25	2,13,61,217 10 -	2,24,564 12 3	10,853 12 2	8,746 12 6	14,209 7 3	- - -	- - -	- - -
1825-26	1,80,45,968 13 1	2,10,935 1 4	19,138 8 -	1,91,871 9 1	7,289 14 -	- - -	- - -	- - -
1826-27	1,96,44,369 11 3	2,45,765 14 9	31,010 2 6	- - -	588 5 3	- - -	5,770 7 3	- - -
1827-28	2,24,99,242 2 1	2,02,380 10 7	1,58,944 4 9	- - -	1,74,690 - 10	- - -	5,079 9 7	- - -
1828-29	2,27,47,396 9 7	2,63,220 2 8	88,785 - 8	- - -	16,883 4 1	- - -	5,817 9 7	96,707 11 4
TOTALS	24,59,66,464 15 8	36,62,835 13 1	10,53,154 10 6	15,66,296 11 10	2,38,698 10 8	66,887 2 4	16,667 10 5	96,707 11 4

ADVANCES by the COMMERCIAL to the TERRITORIAL BRANCH.

	Payments into the General Treasury by the Import Warehousekeeper on account of the Proceeds of Sales.	Payments into the General Treasury by Commanders of Company's Trading Ships, for which Certificates on the Court have been granted to them payable in England.	Export Goods supplied for Territorial Services, and for Consignment to other Presidencies.	Import Goods supplied for Territorial Services, and for Consignment to other Presidencies.	Valuation of Commercial Buildings appropriated to the Territorial Branch.	Loss on Woollens provided for the Mauritius Government chargeable to His Majesty's Government.	Amount Sale of Treasure to the Territorial Branch received from England on the Commercial Account.	Charges on Spices from Moluccas sold at Calcutta.
Season :	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. s. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.
1814-15	17,16,900 - -	- - -	3,19,214 10 5	14,22,500 7 3	- - -	- - -	- - -	- - -
1815-16	24,52,700 - -	- - -	5,12,598 3 8	7,71,158 10 11	12,582 1 10	- - -	- - -	- - -
1816-17	19,87,557 14 11	- - -	4,92,874 8 3	16,23,549 15 2	- - -	- - -	- - -	- - -
1817-18	11,18,500 - -	- - -	6,15,452 3 8	9,22,269 10 6	- - -	- - -	9,51,130 5 4	- - -
1818-19	23,12,974 3 5	- - -	6,08,596 4 6	6,66,903 1 9	- - -	- - -	9,28,571 5 8	- - -
1819-20	18,41,304 - 2	20,000 - -	3,42,170 5 7	10,19,851 14 11	12,000 - -	- - -	- - -	1,07,338 13 2
1820-21	18,62,463 9 8	- - -	7,83,745 12 -	1,85,928 2 7	41,097 14 11	- - -	- - -	- - -
1821-22	27,96,570 9 10	29,314 17 8	8,81,458 12 4	52,745 8 4	8,645 4 5	- - -	- - -	- - -
1822-23	22,75,326 4 3	74,103 7 2	5,08,178 11 10	47,406 10 3	- - -	13,729 11 6	- - -	- - -
1823-24	24,85,214 12 -	- - -	2,48,664 10 3	1,06,386 - 8	- - -	- - -	- - -	- - -
1824-25	14,69,861 - 4	- - -	2,38,849 6 3	82,654 5 4	- - -	- - -	- - -	- - -
1825-26	1,55,515 1 2	- - -	2,08,240 14 11	27,733 1 1	- - -	- - -	- - -	- - -
1826-27	1,41,937 3 10	- - -	1,93,747 15 2	1,398 6 -	- - -	- - -	- - -	- - -
1827-28	1,96,816 2 6	- - -	1,96,884 4 9	1,097 6 5	- - -	- - -	- - -	- - -
1828-29	2,59,000 - -	- - -	76,125 1 11	2,296 4 3	- - -	- - -	- - -	- - -
TOTALS	2,30,72,640 14 1	1,23,418 8 10	62,26,801 13 6	69,33,879 9 5	74,325 5 2	13,729 11 6	18,79,701 11 -	1,07,338 13 2

(Appendix to No. 7.)

Detail of the Particulars which produce the Credits inserted in each Year in the Division of the Account Branches, which is marked No. 1.

BENGAL.								
ADVANCES by the TERRITORIAL to the COMMERCIAL BRANCH.								
Naval Stores transferred to the Import and Export Warehouses for Sale and Issue, and the Consignment of the Season, deposited in Import Warehouse.	Payments on account of the Island of Ceylon, chargeable to the Debit of the Cinnamon Contract.	Proceeds of Spices from the Moluccas sold at Calcutta, realised in Commercial Department.	Advances by the Marine Paymaster on account of Freight of Goods consigned to the Cape.	Received at the Import Warehouse for the Sale of Presents.	Saltpetre, the produce of Nemuck Sar Mehal, transferred to the Commercial Department.	Balance of Miscellaneous Debits and Credits, between the Two Branches.	TOTAL Advanced, in Indian Currency.	AMOUNT in Sterling, at the established rates of Conversion.
S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	£.
2,39,903 1 10	41,629 5 5	- - -	40,943 - 6	- - -	- - -	- - -	1,11,20,377 2 10	1,289,964
4,61,395 - 6	- - -	- - -	2,724 2 8	72,136 5 8	- - -	- - -	1,43,42,496 7 4	1,663,730
1,89,648 1 10	- - -	2,84,504 14 1	- - -	- - -	- - -	- - -	1,16,55,251 5 2	1,352,009
2,625 14 4	- - -	6,57,891 14 10	- - -	- - -	- - -	- - -	1,39,21,537 9 3	1,614,898
1,15,723 9 4	- - -	2,80,594 11 7	- - -	- - -	- - -	- - -	99,75,616 - 8	1,157,171
1,46,798 - -	- - -	- - -	- - -	- - -	2,48,042 13 6	18,068 7 3	1,69,74,472 2 8	1,969,039
- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,62,26,007 15 11	1,882,217
- - -	- - -	- - -	- - -	- - -	- - -	12,226 4 11	1,68,45,972 13 3	1,954,133
- - -	- - -	- - -	- - -	- - -	- - -	7,007 7 1	1,82,54,011 2 6	2,117,465
- - -	- - -	- - -	- - -	- - -	- - -	(a) 72,103 2 10	1,99,64,489 2 -	2,315,881
- - -	- - -	- - -	- - -	- - -	- - -	- - -	2,16,19,592 6 2	2,507,873
- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,84,75,203 13 6	2,143,124
- - -	- - -	- - -	- - -	- - -	- - -	12,449 6 7	1,99,39,953 15 7	2,313,035
- - -	- - -	- - -	- - -	- - -	- - -	(b) 38,611 3 2	2,30,78,947 15 -	2,677,158
- - -	- - -	- - -	- - -	- - -	- - -	16,430 4 4	2,32,35,240 10 3	2,695,288
11,56,093 11 10	41,629 5 5	12,22,991 8 6	43,667 3 2	72,136 5 8	2,48,042 13 6	1,76,896 4 2	25,56,29,170 10 1	29,652,985

(a) Includes an amount of £. 72,103. 2. 10. Sale of Presents. (b) Includes an adjustment of £. 43,412. 6. 9. Sale of Presents.

ADVANCES by the COMMERCIAL to the TERRITORIAL BRANCH.

Produce of Export Sales paid into the General Treasury by Export Warehousekeeper.	Surplus Commission, Salaries to Residents, and Absentee Allowances.	Sale Produce of Spices received from Amboyna, paid into General Treasury by Export Warehousekeeper.	Repayment of Commercial Advances, Cash advanced Opium Agents, Payments into General and Revenue Treasuries by Collectors, &c.	Difference of Exchange, &c.	Balance of Miscellaneous Debits and Credits between the Two Branches.	TOTAL Advanced, in Indian Currency.	AMOUNT in Sterling at the Established Rates of Conversion.
S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	S.Rs. a. p.	£. s. d.
1,50,898 9 5	6,916 1 9	- - -	- - -	2,141 13 -	11,318 14 10	36,29,890 10 8	421,067 - -
1,01,500 - -	1,901 4 8	- - -	- - -	- - -	22,434 3 7	38,74,874 8 8	449,485 - -
4,06,572 2 4	19,734 4 7	- - -	- - -	- - -	33,956 14 10	45,64,245 12 1	529,453 - -
7,66,529 10 11	32,848 11 7	- - -	- - -	- - -	13,603 15 1	44,20,334 9 1	512,759 - -
66,916 4 -	16,279 13 1	2,76,177 15 8	- - -	1,622 2 11	2,596 - 1	48,80,637 3 1	566,154 - -
1,14,632 10 -	1,06,402 8 8	- - -	- - -	- - -	- - -	35,63,700 4 6	413,389 - -
1,23,935 11 3	9,349 1 11	- - -	- - -	- - -	5,225 14 7	30,11,746 2 11	349,363 - -
70,408 2 -	46,642 2 5	- - -	25,000 - -	- - -	- - -	39,10,785 9 -	453,651 - -
1,96,113 2 3	98,162 15 4	- - -	- - -	1,210 3 6	- - -	32,14,231 2 1	372,851 - -
56,040 3 10	73,459 5 -	- - -	1,15,476 5 7	554 6 11	- - -	30,85,795 12 3	357,952 - -
3,38,962 5 11	53,602 11 4	- - -	45,825 11 5	4,033 12 -	9,048 8 2	22,42,837 12 9	260,169 - -
1,80,314 6 10	78,177 6 -	- - -	3,967 8 6	10,034 13 7	31,564 2 -	6,95,547 6 1	80,683 - -
2,22,717 10 4	2,64,721 7 10	- - -	34,126 7 9	4,578 - 4	- - -	8,63,227 7 3	100,134 - -
1,41,019 9 7	21,951 6 2	- - -	35,772 6 1	2,372 8 -	- - -	5,95,913 11 6	69,126 - -
2,75,722 9 2	2,00,738 4 -	- - -	12,853 13 8	2,494 9 2	- - -	8,29,230 10 2	96,191 - -
32,12,283 1 10	10,30,887 14 4	2,76,177 15 8	2,73,022 5 -	29,042 5 5	1,29,748 9 2	4,33,82,998 10 1	5,032,247 - -

BALANCE advanced at Bengal from the Territorial to the Commercial Department, 1814-15 to 1828-29 - - - 21,22,46,172 - - 24,620,558 - -
25,56,29,170 10 1 29,652,985 - -

(Appendix to No. 7.)—Advances made by the Territorial and

M A D R A S . - - - - -

ADVANCES by the TERRITORIAL to the COMMERCIAL BRANCH. - - - - -

	Advances from the General & Revenue Treasuries for Provision of Investment for Europe and China, and for Payment of Commercial Charges, &c. including Drafts of the Supracargoes.	Indian Customs chargeable upon the Company's Trade.	Advances and Payments to Commanders and Officers of Company's Trading Ships.	Import and Export Goods, Consignments from other Presidencies, made over to the Commercial Department.	Territorial Stores transferred to the Commercial Department.	Value of Cinnamon delivered for Consignment to England, on the Commercial Account, paid for in the Territorial Department.	Sandal Wood provided by Revenue Collectors, &c.
Season:	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.
1814-15	7,57,872 3 5	74,951 7 41	46,882 36 59	3,524 9 79	- - -	- - -	63,767 6 19
1815-16	9,81,928 29 28	33,630 42 01	59,839 24 43	16,256 25 38	- - -	- - -	- - -
1816-17	10,63,110 2 14	43,873 3 19	48,503 21 63	42,416 33 19	- - -	1,27,434 37 77	41,308 5 53
1817-18	9,99,676 3 51	36,104 18 20	47,028 8 18	67,136 44 45	- - -	1,68,695 28 10	52,029 25 77
Pags.	38,02,586 38 18	1,88,559 26 1	2,02,254 1 23	1,29,334 23 21	- - -	2,96,130 21 7	1,57,104 37 69
at 3 1/2 Rs. per Pag.	M.Rs. 1,33,09,053 15 6	6,59,958 8 5	7,07,889 1 6	4,52,670 12 11	- - -	10,36,456 10 2	5,49,866 15 -
	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.
1818-19	29,52,466 7 5	70,897 5 9	1,72,327 8 -	1,06,122 9 5	- - -	7,05,163 9 6	7,616 - -
1819-20	22,62,569 1 10	72,462 7 6	1,55,812 2 5	43,433 12 10	- - -	2,93,778 8 2	2,15,805 9 7
1820-21	33,27,027 7 8	71,312 15 10	1,13,667 1 11	1,45,326 10 11	- - -	4,13,424 7 9	1,18,260 6 5
1821-22	18,95,771 7 4	36,945 6 6	1,45,004 13 1	43,462 10 9	- - -	3,44,690 12 7	1,33,000 - -
1822-23	18,31,699 12 1	57,286 3 -	1,10,150 9 1	20,603 15 6	- - -	- - -	1,27,548 10 -
1823-24	17,09,861 8 7	48,439 4 4	- - -	12,131 13 4	- - -	- - -	- - -
1824-25	23,02,600 9 2	58,969 15 -	- - -	44,150 9 5	- - -	- - -	11,780 - -
1825-26	12,71,494 5 4	57,621 8 -	- - -	19,863 5 6	- - -	- - -	- - -
1826-27	22,07,453 3 2	42,187 8 9	- - -	9,715 5 4	- - -	- - -	- - -
1827-28	31,19,383 12 -	56,884 4 9	- - -	6,766 - -	- - -	- - -	96,009 8 1
1828-29	22,69,474 11 4	91,942 1 6	- - -	13,358 - -	7,064 - 6	- - -	- - -
M.Rs.	3,84,58,856 5 5	13,24,907 9 4	14,04,851 4 -	9,17,605 9 11	7,064 - 6	27,93,514 - 2	12,59,887 1 1

ADVANCES by the COMMERCIAL to the TERRITORIAL BRANCH. - - - - -

	Payments into the General Treasury by the Import Warehouse-keeper, on account of the Proceeds of Sales.	Export Goods supplied for Territorial Services, and for Consignment to other Presidencies.	Import Goods supplied for Territorial Services, and for Consignment to other Presidencies.	Valuation of Commercial Buildings, appropriated to the Territorial Branch.	Import Goods sold at Ajengo and Quilon, realized in the Treasury of the Resident at Travancore.	Medicines consigned from England on the Commercial Account, transferred to Territorial Department.	Marine Stores transferred from the Import Warehouse, to the Custody of Master Attendant, under Court's Despatch, 16 Mar. 1827.	Proportion of Expenses of Board of Trade, Salaries, &c.
Season:	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.
1814-15	82,620 10 68	41,648 35 33	3,25,151 34 50	- - -	11,482 31 45	- - -	- - -	- - -
1815-16	93,252 37 40	34,998 16 57	1,37,742 8 35	- - -	2,369 12 69	- - -	- - -	- - -
1816-17	38,384 44 36	8,694 41 26	2,31,325 39 32	- - -	1,164 36 53	- - -	- - -	- - -
1817-18	43,843 35 44	44,517 - 45	74,459 18 71	- - -	1,439 22 65	- - -	- - -	- - -
Pags.	2,58,101 38 28	1,29,859 4 1	7,68,679 11 28	- - -	16,456 13 72	- - -	- - -	- - -
at 3 1/2 Rs. per Pag.	M.Rs. 9,03,356 7 7	4,54,596 13 -	26,90,377 6 1	- - -	57,597 1 3	- - -	- - -	- - -
	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.
1818-19	113,705 - -	1,04,627 8 2	1,39,945 1 7	- - -	24,062 15 -	- - -	- - -	31,594 3 4
1819-20	59,500 - -	4,10,539 11 2	1,47,945 2 8	- - -	19,282 12 1	- - -	- - -	27,599 13 6
1820-21	21,000 - -	10,50,929 2 10	3,84,532 1 5	4,876 10 7	10,524 13 3	- - -	- - -	21,103 1 6
1821-22	108,320 - 11	1,67,298 6 5	2,22,703 13 1	- - -	17,261 8 9	- - -	- - -	- - -
1822-23	195,075 9 3	1,47,500 4 11	3,22,526 14 1	24,477 14 7	- - -	- - -	- - -	- - -
1823-24	188,187 8 -	1,21,512 10 5	1,50,319 - 4	- - -	1,268 1 6	- - -	- - -	- - -
1824-25	140,825 15 10	52,308 - 8	1,26,139 8 -	48,151 5 11	- - -	- - -	- - -	12,937 4 9
1825-26	178,970 7 8	98,632 14 -	2,11,029 10 9	- - -	- - -	- - -	- - -	18,823 - 9
1826-27	60,700 - -	81,588 11 3	19,235 9 8	- - -	- - -	- - -	- - -	18,117 9 5
1827-28	17,400 - -	74,180 1 10	45,220 - 6	- - -	- - -	- - -	- - -	22,394 8 5
1828-29	8,200 - -	39,053 12 5	12,956 6 -	- - -	- - -	47,982 - 7	- - -	18,025 - -
M.Rs.	19,95,241 1 3	28,02,678 1 1	44,72,930 10 2	77,505 15 1	1,28,729 2 4	1,268 1 6	47,982 - 7	1,70,594 9 8

(a) Bill on Collector Ganjam not paid. (b) Cash advanced, 1819-20; reversed, 1823-24. (c) Amount delivered Collector Coimbatore.

Commercial Branches to each other in India—continued.

- - - - - M A D R A S.

- - - - - ADVANCES by the TERRITORIAL to the COMMERCIAL BRANCH.

Stationery supplied the Commercial Offices.	Amount re-credited by Commercial Resi- dent at Ingeram to Territorial Department, being the Value of certain Factory Buildings at Ganjam, with which the Territorial Department was debited in 1824-25, without the sanction of Government.	Sandal Wood received from His Highness the Rajah of Mysore.	Naval Stores, &c. transferred to the Import & Export Warehouses for Sale and Issue, and the Consignment of the Season, deposited in Import Warehouse.	Payment on account of the Island of Ceylon, chargeable to the Debit of the Cinnamon Contract.	Balance of Miscellaneous Debits & Credits between the Two Branches.	TOTAL Advanced, in Indian Currency.	AMOUNT in Sterling, at the established Rates of Conversion.
Pags. f. c.	Pags. f. c.	Pags.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	£.
- - -	- - -	- - -	- - -	1,74,234 25 10	- - -	11,21,231 43 53	448,493
- - -	- - -	- - -	32,146 41 18	1,56,354 41 33	2,106 3 28	12,82,263 27 29	512,905
- - -	- - -	- - -	7,442 23 32	- - -	4,074 43 48	13,78,163 36 5	551,266
2,254 2 30	- - -	- - -	8,328 20 5	- - -	- - -	13,81,253 16 16	552,501
2,254 2 30	- - -	- - -	47,917 39 55	3,30,589 21 43	6,181 1 76	51,62,912 33 23	£. 2,065,165
7,889 2 11	- - -	- - -	1,67,712 9 4	11,57,063 2 9	21,633 10 5	1,80,70,194 8 11	
M.Rs. a. p.	M.Rs. a. p.	M.Rs.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	£.
5,880 - 7	- - -	- - -	- - -	- - -	- - -	40,20,473 8 8	459,483
6,549 13 5	- - -	- - -	19,943 5 4	- - -	- - -	30,70,354 13 1	350,898
5,525 - 5	- - -	- - -	- - -	- - -	- - -	41,94,544 2 11	479,376
4,205 10 10	- - -	- - -	- - -	- - -	- - -	26,03,080 13 1	297,495
3,601 2 1	- - -	- - -	- - -	- - -	- - -	21,50,890 3 9	245,816
3,399 6 8	- - -	- - -	- - -	- - -	- - -	17,73,832 - 11	202,724
2,215 9 11	- - -	- - -	- - -	- - -	- - -	24,19,716 11 6	276,539
2,404 10 10	- - -	- - -	- - -	- - -	- - -	13,51,383 13 8	154,443
1,290 14 7	40,454 15 8	- - -	- - -	- - -	17,271 9 5	23,18,373 8 11	264,957
1,126 5 2	- - -	- - -	- - -	- - -	17,027 11 -	32,97,197 9 -	376,822
1,835 12 -	- - -	28,896	- - -	- - -	12,955 9 6	24,25,526 2 10	277,203
45,923 9 5	40,454 15 8	28,896	1,87,655 14 8	11,57,063 2 9	68,888 8 4	4,76,95,568 1 3	£. 5,450,921

- - - - - ADVANCES by the COMMERCIAL to the TERRITORIAL BRANCH.

Amount of Export Sales paid into General Treasury by Export Warehouse- keeper.	Advances at Maddepollam and Bellary, re-adjusted.	Paid into Treasury by Mr. Heath, on account of Saltpetre Contract.	Re-payment of Cash Advances from Collectors, &c.	Amount returned to Collector of Vizagapatam.	Amount transferred to Military Depart- ment.	Balance of Miscellaneous Debits and Credits between the Two Branches.	TOTAL Advanced in Indian Currency.	AMOUNT in Sterling, at the established Rates of Conversion.
Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	Pags. f. c.	£.
10,653 22 40	- - -	- - -	3,871 28 18	- - -	- - -	13,135 34 10	4,88,564 17 24	195,426
- - -	- - -	- - -	- - -	- - -	- - -	- - -	2,68,362 30 41	107,345
- - -	- - -	- - -	- - -	- - -	- - -	- - -	2,79,570 26 67	111,828
- - -	- - -	- - -	- - -	- - -	- - -	8,528 34 04	1,72,788 21 69	69,115
10,653 22 40	- - -	- - -	3,871 28 18	- - -	- - -	21,664 23 14	12,09,286 6 41	483,714
37,287 4 1	- - -	- - -	13,550 11 -	- - -	- - -	75,825 12 9	42,32,501 7 9	
M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	M.Rs. a. p.	
- - -	- - -	- - -	- - -	- - -	- - -	6,102 6 7	4,20,037 2 8	48,004
- - -	- - -	- - -	- - -	1,50,000 - -	- - -	9,864 13 4	8,24,732 4 9	94,255
- - -	3,53,000 - -	- - -	- - -	- - -	- - -	13,460 3 4	18,59,426 - 11	212,506
- - -	- - -	- - -	(a) 3,000 - -	- - -	- - -	9,083 10 8	5,27,667 7 10	60,305
- - -	- - -	- - -	- - -	- - -	- - -	15,692 11 10	7,05,273 6 8	80,603
- - -	- - -	- - -	(b) 16,937 14 7	- - -	- - -	8,960 15 8	4,87,186 2 6	55,678
- - -	- - -	- - -	(c) 10,000 - -	- - -	68,000 - -	12,141 14 1	4,70,504 1 3	53,772
- - -	- - -	10,000 - -	280 8 -	- - -	- - -	3,076 10 9	5,20,813 3 11	59,522
- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,79,641 14 4	20,530
- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,59,194 10 9	18,194
- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,26,217 3 -	14,425
37,287 4 1	3,53,000 - -	10,000 - -	43,769 1 7	1,50,000 - -	68,000 - -	1,54,209 3 -	1,05,13,195 2 4	1,201,508

BALANCE advanced at Madras to Commercial Branch by Territorial Department, 1814-15 to 1828-29 - -

Madras Rupees 4,76,95,568 1 3 (£. 5,450,921)

(Appendix to No. 7.)—Advances made by the Territorial and

BOMBAY.

ADVANCES by the TERRITORIAL to the COMMERCIAL BRANCH.

Season	Advances from the General and Revenue Treasuries for Provision of Investment for Europe and China, and for payment of Commercial Charges, &c. including Drafts of the Supracargoes.	Indian Customs Chargeable upon the Company's Trade.	Advances and Payments to Commanders and Officers of Company's Trading Ships.	Import and Export Goods, Consignments from other Presidencies, made over to the Commercial Department.	Territorial Stores transferred to the Commercial Department.	Copper returned from the Mint, part of the Supplies to that Department, from the Import Warehouse in 1819-20.	Gain on Sale, &c. of Marine Stores.	Supplies to the Supracargoes at Canton.
	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.
1814-15	27,34,516 2 5	1,73,047 2 04	20,550 2 92	2,66,835 - 91	- - -	- - -	- - -	- - -
1815-16	34,35,084 1 70	1,09,877 2 71	46,944 1 66	3,78,040 3 10	- - -	- - -	- - -	- - -
1816-17	30,58,310 3 55	1,06,190 2 62	18,499 1 84	4,66,046 1 89	- - -	- - -	- - -	- - -
1817-18	39,75,290 3 61	1,21,167 - 02	22,933 1 30	3,60,834 2 07	- - -	- - -	- - -	- - -
1818-19	28,72,558 2 4	76,663 3 17	26,191 3 26	6,54,574 1 35	- - -	- - -	- - -	- - -
1819-20	4,69,570 1 68	67,816 1 64	20,148 - 56	12,43,118 2 57	- - -	- - -	- - -	- - -
1820-21	19,12,331 2 56	24,379 2 65	7,868 3 44	13,07,100 3 49	- - -	- - -	- - -	- - -
1821-22	11,20,270 3 39	81,308 1 43	8,177 3 11	3,19,919 2 84	- - -	86,083 - 68	665 2 72	1,955 3 53
1822-23	39,50,469 - 10	38,737 1 12	2,000 - -	19,337 3 73	- - -	- - -	- - -	- - -
1823-24	21,72,076 - 36	75,985 - 87	4,500 - -	2,31,240 2 -	- - -	- - -	- - -	59,360 - 37
1824-25	19,95,281 3 67	88,286 2 85	- - -	3,47,898 3 47	5,057 2 62	- - -	- - -	17,297 3 47
1825-26	11,94,350 3 07	61,493 1 32	- - -	40,455 1 39	4,875 - -	- - -	- - -	- - -
1826-27	12,57,631 3 66	70,818 2 17	- - -	32,915 - 02	768 3 -	- - -	- - -	- - -
1827-28	16,28,825 1 58	65,448 1 33	- - -	582 3 13	32,712 - 49	- - -	- - -	- - -
1828-29	10,97,572 3 92	55,393 1 05	1,069 2 66	- - -	15,461 3 20	- - -	- - -	- - -
By Rs.	3,28,74,142 - 94	12,16,613 2 99	1,78,884 - 75	56,68,900 3 96	58,875 1 31	86,083 - 68	665 2 72	78,613 3 37

ADVANCES by the COMMERCIAL to the TERRITORIAL DEPARTMENT

Season	Payments into the General Treasury by the Import Warehousekeeper, on Account of the Proceeds of Sales.	Export Goods supplied for Territorial Services, and for Consignment to other Presidencies.	Import Goods supplied for Territorial Services, and for Consignment to other Presidencies.	Valuation of Commercial Buildings appropriated to the Territorial Branch.	Net Sale Proceeds of Sheet Lead deposited in the Import Warehouses.	Sale Proceeds of Marine Stores, with the Cost of which the Commercial Department has been debited.	Loss by deficiency of Marine Stores, with the Cost of which the Commercial Department has been debited.	Difference in the rate of Currency in converting Advances from the Broach and Amedabad Treasuries into Bombay Rupees.	Payments into the General Treasury by Commanders of Company's Trading Ships, for which Certificates on the Court have been granted to them payable in England.	Commercial Consignments deposited with the Marine Storekeeper, Stores for the Ship Buckinghamshire, sent from England.
	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.	By Rs. a. p.
1814-15	17,16,553 - 57	17,932 3 66	6,84,580 3 92	- - -	- - -	- - -	- - -	- - -	- - -	- - -
1815-16	14,21,277 - 76	1,19,849 1 14	2,85,893 2 39	- - -	- - -	- - -	- - -	- - -	- - -	1,58,611 1 33
1816-17	9,70,110 - 10	51,325 2 97	1,69,338 - 65	- - -	- - -	- - -	- - -	- - -	88,888 3 54	- - -
1817-18	13,47,518 2 75	1,93,251 1 22	4,64,728 2 85	- - -	- - -	- - -	- - -	- - -	- - -	- - -
1818-19	17,88,364 2 56	1,02,936 3 37	2,28,506 3 33	- - -	- - -	69,328 3 62	- - -	- - -	- - -	- - -
1819-20	11,92,623 1 26	5,241 3 71	4,16,250 2 82	- - -	- - -	45,597 2 85	- - -	- - -	- - -	- - -
1820-21	16,72,854 - 53	29,856 3 -	2,15,147 - 65	- - -	- - -	43,947 2 62	3,537 3 90	23,526 3 81	- - -	- - -
1821-22	20,43,164 2 58	1,13,193 3 11	84,722 - 37	4,000 - - -	23,380 3 40	- - -	- - -	67,981 3 27	- - -	- - -
1822-23	14,52,027 1 53	16,874 2 08	58,036 2 07	- - -	6,473 3 66	- - -	- - -	22,633 3 80	- - -	- - -
1823-24	12,24,027 1 74	2,44,080 2 67	99,118 1 02	- - -	16,075 - 65	- - -	- - -	41,391 3 61	- - -	- - -
1824-25	9,85,524 2 94	1,362 1 60	66,514 1 13	- - -	21,865 1 80	- - -	- - -	18,834 3 23	- - -	- - -
1825-26	5,01,327 3 49	174 2 92	62,358 3 44	- - -	10,114 - -	- - -	- - -	79,718 1 -	- - -	- - -
1826-27	2,42,373 1 44	818 - -	1,375 1 80	- - -	16,711 1 98	23,767 3 08	5,185 2 55	- - -	- - -	- - -
1827-28	1,57,674 1 37	13,251 2 -	- - -	- - -	- - -	6,179 2 83	- - -	- - -	- - -	- - -
1828-29	64,994 2 20	19,515 - -	13 2 19	15,850 - - -	6,713 2 -	2,759 - 48	- - -	- - -	- - -	- - -
By Rs.	1,67,80,415 1 82	9,29,665 1 45	28,36,585 - 63	19,850	16,711 1 98	2,73,444 2 51	11,482 2 93	2,54,087 2 72	88,888 3 54	1,58,611 1 33

Commercial Branches to each other in India—continued.

BOMBAY.

ADVANCES by the TERRITORIAL to the COMMERCIAL BRANCH.

Proceeds of Cotton laden on the Company's Ships by Messrs. Forbes & Co. of Bombay, realized by the Supracargoes at Canton, and paid to Messrs. Forbes at Bombay, according to the times of their Agreement.	Value of Lead consigned to Bombay on the Territorial Account, transferred to the Commercial Department.	Naval Stores, &c. transferred to the Import and Export Warehouses for Sale and Issue, and the Consignment of the Season, deposited in Import Warehouse.	Payment to Sircar of Travancore, through medium of Madras Government, for Pepper purchased of him.	Cost of the Construction and Outfit of the Trading Ship Buckinghamshire, Built in Company's Docks at Bombay.	Sale Proceeds of Cardemoms, &c. forwarded by the Revenue Collector from Malabar, and realised in the General Treasury.	Balance of Miscellaneous Debits and Credits between the Two Branches.	TOTAL Advanced in Indian Currency.	AMOUNT in Sterling at the established Rates of Conversion.
By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	£.
- - -	- - -	- - -	2,40,000 - -	- - -	- - -	1,758 3 48	31,94,949 3 92	359,432
- - -	- - -	1,819 2 66	- - -	6,88,758 3 56	- - -	65 2 50	42,11,706 - 65	473,817
- - -	- - -	- - -	- - -	2,946 1 19	- - -	90 1 46	43,39,691 2 62	488,215
- - -	- - -	5,32,292 3 51	- - -	- - -	- - -	- - -	44,83,962 1 65	504,446
- - -	- - -	- - -	- - -	- - -	46,692 - 1	- - -	41,62,281 1 33	468,256
- - -	- - -	- - -	- - -	- - -	- - -	- - -	18,47,345 2 46	207,826
- - -	- - -	- - -	- - -	- - -	- - -	7,074 1 50	32,58,755 1 64	366,610
- - -	- - -	- - -	- - -	- - -	- - -	- - -	16,18,381 1 70	182,068
5,00,689 3 54	- - -	- - -	- - -	- - -	- - -	5,465 - 86	45,16,699 1 35	508,129
97,714 3 09	- - -	- - -	- - -	- - -	- - -	3,131 - 62	26,44,007 3 31	297,451
- - -	- - -	- - -	- - -	- - -	- - -	1,330 2 59	24,55,153 2 67	276,205
- - -	14,419 2 58	- - -	- - -	- - -	- - -	1,242 1 36	13,16,836 1 72	148,144
- - -	2,291 3 40	- - -	- - -	- - -	- - -	211 - 84	13,64,637 1 09	153,521
- - -	- - -	- - -	- - -	- - -	- - -	508 2 35	17,28,077 - 88	194,409
- - -	- - -	- - -	- - -	- - -	- - -	2,101 1 08	11,71,598 3 91	131,805
5,98,404 2 63	16,711 1 98	5,34,112 2 17	2,40,000 - -	6,91,705 - 75	46,692 - 1	23,679 2 64	4,23,14,084 2 90	4,760,334

ADVANCES by the COMMERCIAL to the TERRITORIAL DEPARTMENT.

Cotton sold to Commanders.	Produce of Export Goods, &c. paid in by Export Warehouse-keeper.	Drawback on Pepper received by Commercial Agent at Malabar.	Cash repaid Collectors at Surat, &c.	Difference of Currencies, Bombay and Subordinates.	Draft by the Cambay Resident, erroneously included, (relating to transactions prior to April 1814.)	Payment by Commercial Resident at Malabar, to Conservator of Forests; Sale of Malwan Hemp, &c.	Balance of Miscellaneous Debits and Credits between the Two Branches.	TOTAL Advanced in Indian Currency.	AMOUNT in Sterling, at the established Rates of Conversion.
By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	By.Rs. a. p.	£. Sterling.
- - -	- - -	- - -	- - -	- - -	1,88,100 - -	- - -	- - -	26,07,167 - 15	293,306
24,399 2 96	- - -	- - -	- - -	- - -	- - -	Sale Malwan Hemp, 5,125 - -	- - -	20,15,156 - 58	226,705
2,13,286 2 64	13,850 3 09	45,602 1 88	50,000 - -	- - -	- - -	Cash over-advanced 1815-16, 30,000 - -	- - -	16,32,402 2 87	183,646
- - -	22,174 1 87	- - -	30,134 - -	- - -	- - -	- - -	- - -	20,57,807 - 69	231,503
- - -	77,426 - 67	- - -	- - -	- - -	- - -	- - -	1,755 2 29	22,68,318 3 84	255,186
- - -	15,551 3 75	- - -	- - -	- - -	- - -	- - -	4,100 - 49	16,79,365 2 88	188,929
- - -	- - -	- - -	73,500 - -	- - -	- - -	(a) 11,859 3 01	- - -	20,74,230 1 52	233,351
- - -	1,00,285 3 87	- - -	- - -	- - -	- - -	Paym ^t by Coll ^{rs} . 624 - -	4,109 2 97	24,41,462 3 57	274,664
- - -	2,58,130 1 79	- - -	- - -	- - -	- - -	- - -	- - -	18,14,176 2 93	204,095
- - -	52,293 1 59	- - -	- - -	- - -	- - -	- - -	- - -	16,76,986 3 28	188,661
- - -	46,288 - 10	- - -	32,408 2 59	- - -	- - -	- - -	- - -	11,72,798 1 39	131,939
- - -	20,058 - 48	- - -	- - -	- - -	- - -	Twine supplied, 5,015 - -	- - -	6,78,766 3 33	76,361
- - -	9,845 2 62	- - -	- - -	23,405 2 49	- - -	- - -	- - -	3,23,482 3 96	36,392
- - -	5,580 - -	- - -	- - -	- - -	- - -	- - -	- - -	1,82,685 2 25	20,552
- - -	20,424 3 42	- - -	- - -	- - -	- - -	Ditto 1,328 3 -	- - -	1,31,599 29	4,805
2,37,686 1 60	6,41,909 3 25	45,602 1 88	1,86,042 2 59	23,405 2 49	1,88,100 - -	53,952 2 01	9,965 1 75	2,27,56,407 2 48	2,560,095
BALANCE advanced at Bombay from the Territorial to the Commercial Department, 1814-15 to 1828-29 - - -								1,95,57,677 - 42	2,200,239
(a) Payment by Commercial Agent at Malabar, to Conservator of Forests.								By.Rs. 4,23,14,084 2 90	£.4,760,334

(Appendix to No. 7.)—Advances made by the Territorial and

ADVANCES by the TERRITORIAL to the

	Advances and Payments to Commanders and Officers of Company's Trading Ships, and Tonnage Duty, St. Helena.	Expenses at St. Helena, on Account of the Silk Estab- lishment.	Amount of Consignments of Pepper, &c. to Canton.	Amount of Spices, &c. consigned to England.	Pepper and Camphor sold to Commanders of Company's Ships, paid for in China.
BENCOOLEN :					
Season :	Spanish Dollars.	Sp. Ds.	Spanish Dollars.	Spanish Dollars.	Spanish Dollars.
1814-15	- - -	- - -	- - -	141,115 3 90	- - -
1815-16	21,550 3 40	- - -	- - -	199,770 - 43	- - -
1816-17	1,872 - -	- - -	- - -	62,048 1 61	- - -
1817-18	£.Sterl. 1,242 - -	- - -	- - -	£.Sterl. 19,769 - -	- - -
1818-19	- - -	- - -	- - -	- - -	- - -
1819-20	- - -	- - -	43,903 2 -	- - -	- - -
1820-21	St.Rs. 1,700 - -	- - -	St.Rs. 1,83,750 - -	- - -	- - -
1821-22	- - -	- - -	2,08,250 - -	St.Rs. 97,307 9 6	- - -
1822-23	- - -	- - -	1,99,500 - -	1,90,476 12 7	- - -
1823-24	Ms.Rs. 1,921 11 11	- - -	M.Rs. 1,45,152 - -	Ms.Rs. 2,04,862 14 -	12,300 - -
1824-25	- - -	- - -	3,45,829 8 -	1,24,858 2 4	Ms.Rs. 48,301 14 -
1825-26	- - -	- - -	- - -	- - -	- - -
1826-27	- - -	- - -	- - -	- - -	- - -
1827-28	- - -	- - -	- - -	- - -	- - -
1828-29	- - -	- - -	- - -	- - -	- - -
	St.Rs. 1,700 - -	- - -	St.Rs. 5,91,500 - -	St.Rs. 2,87,784 6 1	- - -
	Ms.Rs. 1,921 11 11	- - -	Ms.Rs. 4,90,981 8 -	Ms.Rs. 3,29,721 - 4	Ms.Rs. 48,301 14 -
	Sp.Ds. 23,422 3 40	- - -	Sp.Ds. 43,903 2 -	Sp.Ds. 402,934 1 94	Sp.Ds. 12,300 - -
	£.Sterl. 1,242 - -	- - -	- - -	£.Sterl. 19,769 - -	- - -

PRINCE OF WALES' ISLAND, SINGAPORE AND MALACCA :

Season :	Spanish Dollars.	Sp.Ds.	Spanish Dollars.	Spanish Dollars.	Spanish Dollars.
1814-15	- - -	- - -	- - -	- - -	- - -
1815-16	7,641 - -	- - -	- - -	- - -	- - -
1816-17	779 09 -	- - -	- - -	- - -	- - -
1817-18	£.Sterl. 283 - -	- - -	£.Sterl. 3,997 - -	- - -	- - -
1818-19	1,034 - -	- - -	- - -	- - -	- - -
1819-20	Sp.Ds. 2,400 - -	- - -	- - -	- - -	- - -
1820-21	8,873 32 -	- - -	- - -	- - -	- - -
1821-22	4,200 - -	- - -	- - -	- - -	- - -
1822-23	4,905 06 -	- - -	- - -	- - -	- - -
1823-24	- - -	- - -	- - -	- - -	- - -
1824-25	- - -	- - -	- - -	- - -	- - -
1825-26	- - -	- - -	- - -	- - -	- - -
1826-27	- - -	- - -	- - -	98,571 88 ½	- - -
1827-28	Sa.Rs. 420 6 11	- - -	Sa.Rs. 22,437 3 1	- - -	- - -
1828-29	107 - -	- - -	- - -	- - -	- - -
	Sp.Ds. 28,798 47 -	- - -	- - -	Sp.Ds. 98,571 88 ½	- - -
	Sa.Rs. 527 6 11	- - -	Sa.Rs. 22,437 3 1	- - -	- - -
	£.Sterl. 1,317 - -	- - -	£.Sterl. 3,997 - -	- - -	- - -

ST. HELENA :

Season :	£.Sterl.	£.Sterl.			
1814-15	- - -	- - -	- - -	- - -	- - -
1815-16	2,778 - -	- - -	- - -	- - -	- - -
1816-17	19 - -	- - -	- - -	- - -	- - -
1817-18	115 - -	- - -	- - -	- - -	- - -
1818-19	227 - -	- - -	- - -	- - -	- - -
1819-20	1,212 - -	- - -	- - -	- - -	- - -
1820-21	250 - -	- - -	- - -	- - -	- - -
1821-22	- - -	- - -	- - -	- - -	- - -
1822-23	661 - -	- - -	- - -	- - -	- - -
1823-24	1,125 - -	- - -	- - -	- - -	- - -
1824-25	991 - -	- - -	- - -	- - -	- - -
1825-26	1,299 11 3	565 7 7	- - -	- - -	- - -
1826-27	1,620 19 8	495 1 6	- - -	- - -	- - -
1827-28	1,127 4 10	1,542 10 11	- - -	- - -	- - -
1828-29	964 5 6	1,417 3 -	- - -	- - -	- - -
£.	12,390 1 3	4,020 3 -	- - -	- - -	- - -

Commercial Branches to each other in India—continued.

COMMERCIAL BRANCH.		ADVANCES by the COMMERCIAL to the TERRITORIAL BRANCH.			
Amount advanced in Indian Currency.	Amount in Sterling at the Established Rates of Conversion.		Supplies from Company's Ships, and Abatement in Charge of Former Season.	Invoice Value of Woollens from Prince of Wales Island, for Sale at Canton, on account of that Island; the Commercial Department having been debited with the Amount.	AMOUNT in STERLING.
BENCOOLEN:					
	£. Sterling.	Season:	£. Sterling.	£. Sterling.	£. Sterling.
Sp.Ds. 141,115 3 90	35,279 - -	1814-15 - -	- -	- -	- -
— 221,320 3 83	55,330 - -	1815-16 - -	- -	- -	- -
— 63,920 1 61	15,980 - -	1816-17 - -	- -	- -	- -
£.Sterl. 21,011 - -	21,011 - -	1817-18 - -	- -	- -	- -
—	—	1818-19 - -	- -	- -	- -
Sp.Ds. 43,903 2 -	10,976 - -	1819-20 - -	- -	- -	- -
St.Rs. 1,85,450 - -	20,585 - -	1820-21 - -	- -	- -	- -
— 3,05,557 9 6	33,917 - -	1821-22 - -	- -	- -	- -
— 3,89,976 12 7	43,287 - -	1822-23 - -	200 - -	- -	200 - -
{ Sp.Ds. 12,300 - -	—	1823-24 - -	- -	- -	- -
{ Ms.Rs. 3,51,936 9 11	43,173 - -	1824-25 - -	- -	- -	- -
— 5,18,989 8 4	59,313 - -	1825-26 - -	- -	- -	- -
—	—	1826-27 - -	- -	- -	- -
—	—	1827-28 - -	- -	- -	- -
—	—	1828-29 - -	- -	- -	- -
—	—	£.	200 - -	- -	200 - -
St.Rs. 8,80,984 6 1	—	Balance advanced by the Territorial Branch to the Commercial Department, 1814-15 to 1828-29 }			£. 338,651 - -
Ms.Rs. 8,70,926 2 3	—				£. 338,851 - -
Sp.Ds. 482,560 3 34	—				
£.Sterl. 21,011 - -	338,851 - -				
PRINCE OF WALES ISLAND, SINGAPORE AND MALACCA:					
	£. Sterling.	Seasons:	£. Sterling.	£. Sterling.	£. Sterling.
Sp.Ds. 7,641 - -	1,910 - -	1814-15 - -	- -	- -	- -
— 779 09 - -	195 - -	1815-16 - -	- -	- -	- -
£.Sterl. 4,280 - -	4,280 - -	1816-17 - -	- -	- -	- -
— 1,034 - -	1,034 - -	1817-18 - -	- -	- -	- -
Sp.Ds. 2,400 - -	600 - -	1818-19 - -	- -	3,435 - -	3,435 - -
— 8,873 32 -	2,218 - -	1819-20 - -	- -	- -	- -
— 4,200 - -	1,050 - -	1820-21 - -	- -	- -	- -
— 4,905 06 -	1,226 - -	1821-22 - -	- -	- -	- -
—	—	1822-23 - -	- -	- -	- -
Sp.Ds. 98,571 88 ½ -	24,643 - -	1823-24 - -	- -	- -	- -
Sa.Rs. 22,437 3 1	2,602 - -	1824-25 - -	- -	- -	- -
— 420 6 11	48 - -	1825-26 - -	- -	- -	- -
— 107 - -	12 - -	1826-27 - -	- -	- -	- -
—	—	1827-28 - -	- -	- -	- -
—	—	1828-29 - -	- -	- -	- -
—	—	£.	- -	3,435 - -	3,435 - -
Sp.Ds. 1,27,370 35 ½ -	39,818 - -	Balance advanced by the Territorial Branch to the Commercial Department, 1814-15 to 1828-29 }			£. 36,383 - -
Sa.Rs. 22,964 10 -					£. 39,818 - -
£.Sterl. 5,314 - -					
ST. HELENA:					
	£. Sterling.	Season:	£. Sterling.	£. Sterling.	£. Sterling.
- - -	- -	1814-15 - -	- -	- -	- -
- - -	2,778 - -	1815-16 - -	- -	- -	- -
- - -	19 - -	1816-17 - -	- -	- -	- -
- - -	115 - -	1817-18 - -	- -	- -	- -
- - -	227 - -	1818-19 - -	- -	- -	- -
- - -	1,212 - -	1819-20 - -	- -	- -	- -
- - -	250 - -	1820-21 - -	375 - -	- -	375 - -
- - -	—	1821-22 - -	- -	- -	- -
- - -	661 - -	1822-23 - -	373 - -	- -	373 - -
- - -	1,125 - -	1823-24 - -	174 - -	- -	174 - -
- - -	991 - -	1824-25 - -	210 - -	- -	210 - -
- - -	1,865 - -	1825-26 - -	92 - -	- -	92 - -
- - -	2,116 - -	1826-27 - -	689 10 6 -	- -	689 - -
- - -	2,670 - -	1827-28 - -	128 11 -	- -	129 - -
- - -	2,381 - -	1828-29 - -	419 12 6 -	- -	420 - -
- - -	£. 16,410 - -	£.	2,461 14 -	- -	2,462 - -
Balance advanced by the Territorial Branch to the Commercial Department, 1814-15 to 1828-29 }					£. 13,948 - -
					16,410 - -

AN ACCOUNT of the BALANCES in each Year of the ADVANCES made by the TERRITORIAL and COMMERCIAL BRANCHES to each other, in *India*, 1814-15 to 1828-29, inclusive.

BALANCE of ADVANCES made by the TERRITORIAL to the COMMERCIAL DEPARTMENT.

—	Bengal.	Madras.	Bombay.	St. Helena.	Bencoolen.	P. W. Island, Singapore, and Malacca.	TOTAL Balance of Advances in each Year.
	£.	£.	£.	£.	£.	£.	£.
1814-15	868,897	253,067	66,126	-	35,279	-	1,223,369
1815-16	1,214,245	405,560	247,112	2,778	55,330	1,910	1,926,935
1816-17	822,556	439,438	304,569	19	15,980	195	1,582,757
1817-18	1,102,139	483,386	272,943	115	21,011	4,280	1,883,874
1818-19	591,017	411,479	213,070	227	-	-	1,215,793
1819-20	1,555,650	256,643	18,897	1,212	10,976	600	1,843,978
1820-21	1,532,854	266,870	133,259	-	20,585	2,218	1,955,786
1821-22	1,500,482	237,190	-	-	33,917	1,050	1,772,639
1822-23	1,744,614	165,213	304,034	288	43,087	1,226	2,258,462
1823-24	1,957,929	147,046	108,790	951	43,173	-	2,257,889
1824-25	2,247,704	222,767	144,266	781	59,313	-	2,674,831
1825-26	2,062,441	94,921	71,783	1,773	-	24,643	2,255,561
1826-27	2,212,901	244,427	117,129	1,427	-	2,602	2,578,486
1827-28	2,608,032	358,628	173,857	2,541	-	48	3,143,106
1828-29	2,599,097	262,778	117,000	1,961	-	12	2,980,848
	24,620,558	4,249,413	2,292,835	14,073	338,651	38,784	31,554,314
Deduct Balances per contra - }	-	-	92,596	125	-	2,401	95,122
Net Balance advanced by Territory to Commerce. } £.	24,620,558	4,249,413	2,200,239	13,948	338,651	36,383	31,459,192

BALANCE of ADVANCES made by the COMMERCIAL to the TERRITORIAL DEPARTMENT.

—	Bombay.	St. Helena.	P. W. Island, Singapore, and Malacca.	TOTAL Balances of Advances in each Year.
	£.	£.	£.	£.
1814-15	—	—	—	—
1815-16	—	—	—	—
1816-17	—	—	—	—
1817-18	—	—	—	—
1818-19	-	-	2,401	2,401
1819-20	—	—	—	—
1820-21	-	125	-	125
1821-22	92,596	-	-	92,596
1822-23	—	—	—	—
1823-24	—	—	—	—
1824-25	—	—	—	—
1825-26	—	—	—	—
1826-27	—	—	—	—
1827-28	—	—	—	—
1828-29	—	—	—	—
£.	92,596	125	2,401	95,122

Advanced at the Three Presidencies	-	-	-	-	£.
Ditto St. Helena, Bencoolen, &c.	-	-	-	-	31,070,210
					388,982
					31,459,192

(Errors excepted.)

East India House,
6 April 1832.

(signed) Tho^s S. Cabell,
Deputy Acc^t Gen^l.

— No. 8. —

STATEMENT to show the SOURCES from which the EXPENDITURE and CREDITS contained in the GENERAL ACCOUNT CURRENT between the TERRITORIAL and COMMERCIAL BRANCHES (No. 7) have been derived.

BALANCE of Expenditure on account of the Territory in England, as per No. 5.		
Amount of the Payments as shown in that account	£. 46,291,485	£.
Add for Bullion provided in Commercial Branch, applied to Territorial purposes, as per memorandum thereon	166,302	
	£. 46,457,787	
Amount of the Receipts as exhibited in that account	£. 8,516,331	
Add for amount to be transferred from Commercial to Territorial Receipts, as per memorandum inserted thereon	75,600	
	8,591,931	
Payments on account of ditto, from the Company's Commercial Funds in China, and at the Cape, as per No. 6.		37,865,856
		1,109,307
	£.	38,975,163
As respects that part of the Territorial expenditure in England, which relates to the Provision of Military and other Public Stores for exportation, a computation is made at the time of their shipment, (upon the plan agreed on in 1814,) of the charges to be added to the invoices, in respect of interest, and proportion of Charges of the Commercial Establishments attaching to the respective articles; these items not being derived from a direct Cash Expenditure on account of the Territory, do not appear in the Home Cash Accounts, but necessarily enter, as a charge against the Territory, into the General Statement of Account between the Territorial and Commercial Branches; other items, as the apportionment of the rent of commercial buildings, the property of the Company, to Territorial purposes, &c. are similarly circumstanced. The aggregate of these particulars is the sum here carried out, and should be added to the foregoing expenditure		
		426,156
There should be further added, the Balances of Adjustments made under various heads of charge, composing the Territorial Expenditure in England, as stated in the first instance in the Cash Accounts; these Accounts being required to be presented to Parliament within the first 14 sitting days after the termination of the official year, are necessarily prepared before the Company's Books of Account can be balanced, or the transactions of the year be fully audited, and although they contain the entire Receipt and Expenditure of the period, it usually occurs that transpositions and adjustments, generally to an inconsiderable amount, are subsequently made from one head of account to another; viz.		
Transfers of Exports from Commercial to Territorial Branch	£. 22,882	
Adjustments to be made in Political Charges General in Receipts and Disbursements, after 1 May 1829, made in the books previously	12,918	
Ditto, previously made under various heads of account	40,922	
		76,722
	£.	39,478,041
Amount of Interest calculated to be due in account from the Territorial to the Commercial Branch, at the rate of the Home Bond Debt, not exhibited in Cash Accounts (No. 3.)		1,536,078
	£.	41,014,119
Deduct amount for which the Territory is credited by the Commerce in respect of issues in India, under the 56th sec. of the 53 Geo. 3, c. 155, resulting from a variety of transactions, the particulars of which are fully shown in the Appendix to No. 7.		
	£. 31,459,192	
That part of the expenditure on account of the Territory, (including the credit of 1,500,000 <i>l.</i> passed in account) which has been charged upon the surplus Commercial Profits, but which has not been introduced as a debit against the Territory, in the account current between the branches, per No. 3.		
	4,923,021	
		36,382,213
Balance due from Territory, as shown in No. 7.	£.	4,631,906

East India House,
6 April 1832. }

(Errors excepted.)

(signed)

Tho^s S. Cabell,
Dep^y Acc^t General.

—No. 9.—

PARTICULARS of the ACCOUNT between the Two Branches of the Company's Affairs (No. 2.)
 Provision of FUNDS to meet such Payments, under the 55th Section of the 53 Geo. 3, c. 155,
 Yearly, (by transfer) in the

Dr.

	Bills of Exchange drawn for Interest on India Debt.	Bills of Exchange drawn for Treasury Notes of the Indian Government.	Bills of Exchange drawn for Principal of India Debt, in excess of the Amount discharged from Surplus Profits.	Bills of Exchange drawn for Cash received into the Indian Treasuries, under Advertisements of Government, discharged in England.	Sundry Payments in England to be deducted from Funds realized to meet Interest Bills per Contra.				TOTAL DEBTOR.	Bills in favour of the Company, for Supplies furnished from Territorial Funds in India.
					Charges on Account of Importations of Bullion defrayed after the Year in which the Bullion was Imported.	Disbursements in England and China, on Account of the Public, included in the Company's Claims upon Government in the Territorial Department.	Freight of Stores, &c. Chargeable to His Majesty's Government.	Payments to His Majesty's Government for Proceeds of Spices Imported from the Moluccas after the settlement of the Government Account.		
	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
1814-15	834,022	-	-	-	-	74,639	-	-	908,661	142,756
1815-16	412,039	-	-	-	-	152,941	-	-	564,980	154,673
1816-17	270,031	-	-	-	-	34,012	-	-	304,043	123,484
1817-18	396,076	158,617	-	-	-	26,596	-	-	581,289	71,113
1818-19	611,431	-	-	-	-	16,569	-	-	628,000	162,464
1819-20	355,514	76,946	-	-	-	4,177	-	-	428,283	136,541
1820-21	678,988	39,801	-	-	-	3,994	-	-	722,783	200,561
1821-22	1,562,522	-	-	-	-	8,589	-	-	1,571,111	130,058
1822-23	1,419,587	-	-	-	-	1,124	-	-	1,420,711	148,365
1823-24	620,132	-	1,568,491	-	1,459	-	45	112,303	2,302,430	57,046
1824-25	421,138	-	415,470	-	-	-	2,132	69,438	908,178	38,325
1825-26	430,039	-	576,715	100,428	2,988	-	1,618	110,973	1,222,761	132,717
1826-27	423,290	-	79,518	1,449	620	-	3,761	-	508,638	22,891
1827-28	522,438	-	5,701	-	-	-	5,162	-	533,301	103,652
1828-29	640,570	-	3,470	-	Loan to His Majesty's Government at the Cape of Good Hope, transferred for adjustment in the General Government Account.		18,203	3,309	665,552	61,728
£.	9,597,817	275,364	2,649,365	101,877	5,067	{ 314,287 18,203 }	16,027	292,714	13,270,721	1,686,374

—No. 9.—

in respect to PAYMENTS for Bills of Exchange drawn for Interest on INDIAN DEBT, &c., and drawn out so as to show the Balance upon this Account, without merging these Transactions Account (No. 1.)

Cr.

Government, in Repayment of Advances from Territorial Funds in India, not covered by Bills of Exchange.	Bills drawn by Court on India.	Net Produce of Bullion from India.	Congregations de Propaganda Fide at Rome, on account of Advances made to Missionaries in India.	Dutch Government, for Bills drawn on them.	Government, in further Account of Company's Claims.	Sums passed to the Credit of Government in their Account with the Company, viz. Net Produce of Spices from the Moluccas sold in England.	Bills on Navy Board, for Ships built for His Majesty's Service.	Government, on account of Sums advanced to His Majesty's Land Forces at St. Helena.	Sum directed to be applied by the Bengal Government under the Court's Order of 29 June 1821, to the Redemption of India Debt, as a mode of Remittance of equal Amount to meet Interest Bills paid by means of Surplus Commercial Profits.	Produce of Molucca Spices Sold in England.	TOTAL CREDITOR.
£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
-	7,891	324,015	-	-	103,223	154,521	-	-	-	-	732,406
-	520	-	-	-	-	118,030	-	-	-	-	273,223
-	517	-	-	-	387,145	26,932	-	-	-	-	538,078
-	481	-	-	-	-	110,616	-	-	-	-	182,210
-	425	-	-	198,182	-	77,432	26,874	-	-	-	465,377
-	1,010	-	-	107,243	-	70,555	40,275	-	-	-	355,624
-	7,728	-	200	42,086	-	55,403	-	-	-	-	305,978
-	-	-	-	-	-	20,542	-	117,236	1,500,000	-	1,767,836
-	-	1,623,958	-	-	-	-	-	-	-	22,777	1,795,100
-	7,810	-	-	-	-	-	-	-	-	33,060	97,916
-	1,820	989,163	-	-	-	-	-	-	-	48,992	1,078,300
-	1,570	-	-	-	-	-	-	3,711	-	53,871	191,869
71,625	1,770	-	-	-	-	-	-	-	-	1,105	97,391
-	2,252	-	-	-	-	-	-	-	-	-	105,904
8,597	3,285	629,698	-	-	-	-	-	-	-	-	703,308
80,222	37,079	3,566,834	200	347,511	490,368	634,031	67,149	120,947	1,500,000	159,805	8,690,520
Balance - - - -											4,580,201
Sterling - - - £.											13,270,721

(Errors Excepted.)

Thos. S. Cabell,
Dep^y Acc^t General.

FINANCE.

Appendix, No. 3.

Accounts relating
to the Home Con-
cern and the Com-
mercial Branch.

— No. 10. —

STATEMENT exhibiting and explaining, as far as can be done, the difference between the Account of ISSUES in *India* to COMMERCE, under the 56th section of the 53 Geo. 3, c. 155, as kept in *India*, (in Receipt and Disbursement Statements), and the Account with a similar object kept in *England*, from 1814–15 to 1828–29 inclusive.

	£.
Amount for which Commerce appears Dr. in the Account, as kept in India, com- prehending the three Presidencies - - - - -	30,364,295
Amount for which the Territory receives Credit in this respect upon the Balance of the Account as kept in England - - - - -	31,070,210
The Home Account gives a credit to Territory exceeding the Amount with which the Commerce is charged in India, by - - - - -	705,915
The difference above shown is for the larger part occasioned by the variation in the method observed in India and in England respectively, in stating the amount of remittances of Treasure consigned from Canton to Bengal. In the account as kept in India, these remittances are credited to Commerce at the period of their receipt by the Bengal Government, and are stated as a deduction from the sums issued for commercial purposes in India in the year of their arrival. But in the account as kept at home, the Territory is debited on the shipment of the remittances from Canton, as for an outlay on the Territorial Account, leaving the credit for sums issued to the Commercial Branch, as stated in the Home Account, without any deduction for the amount which became available to the Bengal Government on this account, and consequently differing to that extent from the account as kept in India - - - - -	570,720
Remaining difference, or amount for which Commerce has really given a credit to the Territory exceeding the Debit charged in the account drawn from the Indian Receipts and Disbursements - - - - - £.	
	135,195

The account of the foregoing transactions between Territory and Commerce as kept in England, has been prepared from the books of account received from India, after a careful examination, revision and adjustment of those books from year to year. Those books embrace many transactions between the two branches, principally as respects the issue of goods and stores, the property of the one or the other branch, for their mutual service, which are not exhibited in the accounts of Receipts and Disbursements. These latter documents are not stated in sufficient detail to admit of a complete comparison of the items from which the view of the accounts as kept in India is deduced, with those which enter into the result as drawn from the books; but it is to be presumed that the excess of credit given by Commerce to Territory in the Home Accounts, is traceable to the circumstances already stated, and it follows that the Home view of this account is to be taken as the more complete and accurate view of these transactions.

(Errors excepted.)

East India House, }
6 April 1832. }

Thos S. Cabell,
Dep^y Acc^t Gen^l.

— No. 11. —

STATEMENT explaining generally the Difference of Result exhibited between the Account of "SUPPLIES between *India* and *London*," as kept in *India*, and the Accounts in *England* which it was intended should comprise the same Transactions.

BALANCE to the Credit of London, shown by the combined Account of "Supplies between India and London," including the heads of His Majesty's Government, Ceylon, Mauritius, Java, the Moluccas, &c., from 1814-15 to 1828-29, both years inclusive	£.	9,041,721
---	----	-----------

The Accounts kept in England, which answer to the London Account in India, and should ultimately agree with it in result, are the Account between the Territorial and Commercial Branches, Division No. 2, and the Account of Appropriations from the surplus Commercial Profits in England, so far as those appropriations have reference to the discharge of bills drawn for principal of India Debt.

An Account, marked No. 9, combining the particulars in Division No. 2, of the Account first above referred to, shows that the Home Treasury has discharged in the corresponding period Bills of Exchange drawn for Interest of India Debt and other Territorial Services, beyond the amount which it has realized for remittances applicable to the discharge of those demands, the sum of	£.	4,580,201
--	----	-----------

The Account No. 3, shows that of the Bills paid in England in the same period, which were drawn in liquidation of principal of India Debt, there was charged upon the Commercial profits to the extent of		2,256,182
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TOTAL for which London debits India	£.	6,836,383
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Difference less debited by London	£.	2,205,338
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EXPLANATION.

Government Balance (exclusive of bills in favour) due to the Company, existing on 1st May 1814, made applicable after that period as a Fund for meeting the Interest Bills, London having been charged in India with the expenditure from which it resulted prior to that period	£.	2,112,113
--	----	-----------

Proceeds of Bullion, per Stirling Castle, shipped from India before 1st May 1814, for which the Territory received credit in this branch of the account, subsequently		324,015
---	--	---------

	£.	2,436,128
--	----	-----------

Territorial Bills unpaid 1st May 1814	£.	1,396,913
Ditto - ditto - ditto 1829		1,152,966

Amount of Territorial Obligations existing on 1st May 1814, falling in course of liquidation after that period, in excess of the like obligations remaining for payment after 1st May 1829		243,947
--	--	---------

	£.	2,192,181
--	----	-----------

There are many other circumstances by which the two accounts which form the subject of this comparison are differently affected, operating both to the increase and diminution of the difference above exhibited, as respects the rates at which the bills of exchange comprised in those accounts were drawn upon the Court; the interest growing due from His Majesty's Government, after allowing for charges incurred but not repaid, (interest not being calculated in the London account as kept in India,) with various other circumstances, which, as their effects counterbalance each other, it is not considered necessary more minutely to trace.

(Errors excepted.)

East India House,
6 April 1832. }(signed) Tho^s S. Cabell,
Dep^y Acc['] Gen['].

Appendix, No. 4.

II.—TERRITORIAL.

Appendix, No. 4.

FINANCES OF INDIA FROM 1814-15 TO 1828-29.

Finances of India.

IT appears by the annexed Account, No. 1, which corresponds in result with the Papers before Parliament, that in the 15 years, 1814-15 to 1828-29, there has been a local surplus of 9,905,913 *l.* after defraying all territorial charges incurred and paid in Bengal, at Madras, and at Bombay, including the interest of the debt, whether paid in India or in England, but excluding all the Home charges, and the cost of all territorial stores exported from Europe.

This result is exclusive of the expense of Bencoolen, Prince of Wales Island, Singapore and Malacca, the supplies to which places and to St. Helena, within the said period, after deducting the supplies made from those settlements, appear, by Account No. 2, to have amounted to 2,548,011 *l.* whereof there was issued to the Commercial Department (as by Account No. 3,) 388,981 *l.*, leaving 2,159,030 *l.* to be added to the territorial expenditure; thus reducing the before-mentioned local surplus of 9,905,913 *l.* to 7,746,883 *l.*

Account No. 4, exhibits the result, as drawn from the Indian statements, of the transactions between India and London, from 1814-15 to 1828-29, and shows a balance due to London by India of 9,041,721 *l.* This is exclusive of stores received from London, which are all accounted for in the Home charges.

Account No. 5, exhibits the result, as drawn from the Indian statements, of the transactions between the Territorial and Commercial Departments in India, and shows, after charging the Commercial Branch with the sums issued on its account at the Subordinates, a balance of 30,753,271 *l.* to be accounted for to the Territory by the Commerce.

Account No. 6, exhibits the result of the Cash Debt Transactions, or, in other words, of the Debt Transactions, omitting such as did not enter simultaneously into cash receipt or payment. The net amount of debt incurred appears to have been 17,289,864 *l.* of which 1,109,975 *l.* is the amount of debt cancelled by the King of Oude, which being deducted from the above sum of 17,289,864 *l.* leaves 16,179,889 *l.* as the amount added to the debt of India within the period.

Account No. 7, exhibits summaries of all the cash transactions of the Governments of Bengal, Madras and Bombay, from 1814-15 to 1828-29, separate and combined. The preparation of this account necessarily embraced a revision of the printed Budget statements, the result of which shows that some few items of an extraordinary nature both of receipt and payment, were omitted in those Budgets. Supplying these omissions, and adjusting the Europe store account and the interest upon the Carnatic deposit to the principle now observed, the local surplus is reduced from the sum of 9,905,913 *l.* as stated in the printed accounts, to 9,304,411 *l.*; and on reference to the statement applicable to Bombay, it will be seen that, owing to an alteration of system, the Accountant-general of that Presidency stated as a deduction from cash balance, the amount of military advances outstanding. This sum of 240,183 *l.* clearly forms a charge, which thus further reduces the local surplus to 9,064,228 *l.* Deducting the supplies to the Subordinate Settlements upon the principle before explained, the local surplus is further reduced to 6,905,198 *l.*

The following is the Cash Result of all India, in a very condensed form; viz.

Cash in the Treasuries of Bengal, Madras and Bombay, 30th April 1814	- £. 5,548,476	Supplies to Commercial Branch	£ 30,364,290
Surplus Revenue	- - - 9,064,228	Supplies to Subordinates, including St. Helena	- - - 2,548,011
Difference between Debt incurred and paid off, including Oude, cancelled Loan and Commissioners for the redemption of do.	17,289,864	Unadjusted Debts and Credits between the Presidencies	- 421,795
		Do. between the several Treasuries subordinate to Madras	- 289,968
			33,624,064
Balance of Supplies from London	9,041,717	Cash in the Treasuries of the three Presidencies, 30 April 1829	7,320,221
	£. 40,944,285		£. 40,944,285
			Account

Account No. 8, shows the Net Charge of St. Helena to have amounted to 1,576,370*l.* from which must be deducted the sum of 100,690 *l.* included in the supplies from India to that island, leaving 1,475,680 *l.* as the balance of additional charge on the territorial revenues.

Appendix, No. 4.

Account No. 9, contains a statement of the amount of the Home Territorial Charges for 1814-15 to 1828-29, which, after including all payments by the Home Treasury for stores sent to Prince of Wales' Island, Singapore and Malacca, and from China and the Cape of Good Hope to India, was 26,885,007 *l.*

Finances of India.

East India House, }
2 April 1832. }

James C. Melvill,
Audr India Acc^{ts}.

— No. 1. —

COMBINED RESULT of the REVENUES and CHARGES of *Bengal, Madras, and Bombay*, exclusive of the SUBORDINATES and of the HOME CHARGES, from 1814-15 to 1828-29.

	REVENUES.	CHARGES, including Interest.	LOCAL SURPLUS.	LOCAL DEFICIT.
	£.	£.	£.	£.
1814-15 - - - -	17,231,191	15,684,060	1,547,131	—
1815-16 - - - -	17,168,196	16,664,382	503,814	—
1816-17 - - - -	18,010,023	16,848,627	1,161,396	—
1817-18 - - - -	18,305,266	17,597,386	707,880	—
1818-19 - - - -	19,392,004	19,223,885	168,119	—
1819-20 - - - -	19,172,506	18,980,761	191,745	—
1820-21 - - - -	21,292,036	19,422,823	1,869,213	—
1821-22 - - - -	21,753,273	19,488,301	2,264,972	—
1822-23 - - - -	23,120,935	19,777,970	3,342,965	—
1823-24 - - - -	21,238,623	20,554,528	684,095	—
1824-25 - - - -	20,705,152	21,871,362	- - -	1,166,210
1825-26 - - - -	21,096,966	23,922,053	- - -	2,825,087
1826-27 - - - -	23,327,753	23,172,688	155,065	—
1827-28 - - - -	22,812,147	23,736,208	- - -	922,061
1828-29 - - - -	22,691,721	21,417,101	1,274,620	—
Total of the 15 Years - £.	307,317,792	298,360,135	13,871,015	4,913,358
Deduct Deficit - -			4,913,358	
Surplus - £.			8,957,657	
Add, Sums included in Charges on account of Europe. Stores, the whole cost of which is trans- ferred to the Home Accounts - - - -			948,256	
Net Total Local Surplus - - - £.			9,905,913	

Appendix, No. 4.
Finances of India.REVENUES and CHARGES of *Bengal* from 1814-15 to 1828-29.

	REVENUES.	CHARGES including Interest on Debts.	SURPLUS.	DEFICIT.
	£.	£.	£.	£.
1814-15 - - - -	11,089,823	8,753,656	2,336,167	—
1815-16 - - - -	11,243,273	9,301,806	1,941,467	—
1816-17 - - - -	11,789,511	9,602,615	2,186,896	—
1817-18 - - - -	11,621,514	10,082,800	1,538,714	—
1818-19 - - - -	12,370,370	10,604,061	1,766,309	—
1819-20 - - - -	12,187,570	10,748,958	1,438,612	—
1820-21 - - - -	13,487,218	10,501,801	2,985,417	—
1821-22 - - - -	13,340,503	10,349,482	2,991,021	—
1822-23 - - - -	14,163,278	10,263,573	3,899,705	—
1823-24 - - - -	12,950,308	10,911,428	2,038,880	—
1824-25 - - - -	13,479,192	12,620,179	859,013	—
1825-26 - - - -	13,119,658	13,973,499	- - -	853,841
1826-27 - - - -	14,757,089	13,405,151	1,351,938	—
1827-28 - - - -	14,921,983	13,486,879	1,435,104	—
1828-29 - - - -	14,784,870	12,042,222	2,744,648	—
£.	195,306,160	166,646,110	29,513,891	853,841
Deduct Deficit - - -			853,841	
TOTAL Net Revenue - - - - £.			28,660,048	

REVENUES and CHARGES of *Fort St. George*, from 1814-15 to 1828-29.

	REVENUES.	CHARGES, including Interest on Debts.	SURPLUS.	DEFICIT.
	£.	£.	£.	£.
1814-15 - - - -	5,322,164	5,233,680	88,484	—
1815-16 - - - -	5,106,107	5,406,319	- - -	300,212
1816-17 - - - -	5,360,220	5,321,552	38,668	—
1817-18 - - - -	5,381,307	5,602,272	- - -	220,965
1818-19 - - - -	5,361,432	6,090,819	- - -	729,387
1819-20 - - - -	5,407,004	5,806,288	- - -	399,284
1820-21 - - - -	5,403,506	5,696,715	- - -	293,209
1821-22 - - - -	5,557,029	5,510,389	46,640	—
1822-23 - - - -	5,585,210	5,239,988	345,222	—
1823-24 - - - -	5,498,765	6,398,598	- - -	899,833
1824-25 - - - -	5,440,743	5,951,793	- - -	511,050
1825-26 - - - -	5,714,915	5,917,467	- - -	202,552
1826-27 - - - -	5,981,681	5,771,517	210,164	—
1827-28 - - - -	5,347,838	6,186,622	- - -	837,784
1828-29 - - - -	5,575,049	5,701,496	- - -	126,447
£.	82,042,970	85,835,515	729,178	4,521,723
Deduct Surplus - - -			- - -	729,178
TOTAL Net Charge - - - - £.			- - -	3,792,545

REVENUES and CHARGES of *Bombay*, from 1814-15 to 1828-29.Appendix, No. 4.
Finances of India.

	REVENUES.	CHARGES, including Interest on Debts.	SURPLUS.	DEFICIT.
	£.	£.	£.	£.
1814-15 - - - -	819,204	1,696,724	- - -	877,520
1815-16 - - - -	818,816	1,956,257	- - -	1,137,441
1816-17 - - - -	860,292	1,924,460	- - -	1,064,168
1817-18 - - - -	1,302,445	1,912,314	- - -	609,869
1818-19 - - - -	1,660,202	2,529,005	- - -	868,803
1819-20 - - - -	1,577,932	2,425,515	- - -	847,583
1820-21 - - - -	2,401,312	3,224,307	- - -	822,995
1821-22 - - - -	2,855,741	3,628,430	- - -	772,689
1822-23 - - - -	3,372,447	4,274,409	- - -	901,962
1823-24 - - - -	2,789,550	3,244,502	- - -	454,952
1824-25 - - - -	1,785,217	3,299,390	- - -	1,514,173
1825-26 - - - -	2,262,393	4,031,087	- - -	1,768,694
1826-27 - - - -	2,588,983	3,996,020	- - -	1,407,037
1827-28 - - - -	2,542,326	4,060,707	- - -	1,518,381
1828-29 - - - -	2,331,802	3,675,383	- - -	1,343,581
£.	29,968,662	45,878,510	—	
TOTAL Net Charge - - - £.				15,909,848

(Errors excepted.)

East India House, }
2 April 1832. }James C. Melvill,
Audr Indian Acc^{ts}.

— No. 2. —

NET AMOUNT of SUPPLIES from the PRESIDENCIES in *India* to the
SUBORDINATES, including *St. Helena*.

	£.	£.	£.
1814-15. Bengal - - - -	169,654		
St. Helena - - - -	3,168		
		172,822	
Madras - - - -	-	453	
		173,275	
Deduct Supplies from Subordinates to Bombay -		101	
			173,174
1815-16. Bengal - - - -	160,313		
St. Helena - - - -	17,136		
		177,449	
Madras - - - -	-	902	
			178,351
1816-17. Bengal - - - -	133,389		
St. Helena - - - -	13,963		
		147,352	
Deduct Supplies from Subordinates to			
Madras - - - -	336		
Ditto from St. Helena to Ditto - -	101		
		437	
			146,915
Carried forward - - - £.			498,440

Appendix, No. 4.
Finances of India.

		£.	£.
	Brought forward - - -	- - -	498,440
1817-18. Bengal - - -	- £. 201,903		
St. Helena - - -	4,898	206,801	
Madras - - -	1,136		
St. Helena - - -	1,297	2,433	
			209,234
1818-19. Bengal - - -	- 185,382		
St. Helena - - -	6,247	191,629	
Deduct Supplies from Subordinates to Madras -	£. 84,671		
Ditto from Madras to St. Helena - - -	3,374		
	81,297		
Ditto from Subordinates to Bombay -	188	81,485	
			110,144
1819-20. Bengal - - -	- 154,117		
St. Helena - - -	15,344	169,461	
Madras - - -	3,063		
St. Helena - - -	5,052	8,115	
		177,576	
Deduct Supplies from Subordinates to Bombay -		33	
			177,543
1820-21. Bengal - - -	- 146,243		
St. Helena - - -	5,191	151,434	
Madras - - -	379		
St. Helena - - -	1,872	2,251	
		153,685	
Deduct Supplies from Subordinates to Bombay -		984	
			152,701
1821-22. Bengal - - -	- 190,206		
St. Helena - - -	2,637	192,843	
Madras - - -	- - -	1,855	
		194,698	
Deduct Supplies from Subordinates to Bombay -		794	
			193,904
1822-23. Bengal - - -	- 260,028		
St. Helena - - -	5,580	265,608	
Madras - - -	- - -	223	
		265,831	
Deduct Supplies from Subordinates to Bombay -		7,694	
			258,143
1823-24. Bengal - - -	- 164,910		
St. Helena - - -	7,879	172,789	
Madras - - -	169		
St. Helena - - -	19	188	
			172,977
Carried forward - - -	- £.	- - -	1,773,086

		£.	£.
	Brought forward - - -	- - -	1,773,086
1824-25. Bengal - - - - -	£. 250,685		
St. Helena - - - - -	3,668		
		254,353	
Deduct Supplies from Subordinates to			
Madras - - - - -	50		
Ditto - ditto - to Bombay -	£. 495		
Less Supplies from Bombay			
to St. Helena - - - - -	378		
	117	167	
			254,186
1825-26. Bengal - - - - -	70,217		
St. Helena - - - - -	4,946		
		75,163	
Madras - - - - -		7,998	
		83,161	
Deduct Supplies from Subordinates to			
Bombay - - - - -	1,492		
Less Supplies from Bombay to St.			
Helena - - - - -	234		
		1,258	
			81,903
1826-27. Bengal - - - - -	104,438		
St. Helena - - - - -	6,885		
		111,323	
Madras - - - - -		65,199	
Bombay—St. Helena - - - - -		166	
			176,688
1827-28. Bengal - - - - -	129,964		
St. Helena - - - - -	8,056		
		138,020	
Deduct Supplies from Subordinates to			
Madras - - - - -	26,210		
Ditto - ditto - to Bombay	£. 2,842		
Less Supplies from Bombay			
to St. Helena - - - - -	374		
	2,468		
		28,678	
			109,342
1828-29. Bengal - - - - -	165,187		
Less Supplies from St. Helena to			
Bengal - - - - -	17,687		
		147,500	
Madras - - - - -		5,394	
		152,894	
Deduct Supplies from St. Helena to Bombay -		88	
			152,806
		£.	2,548,011
The above Account contains the Net Supplies to St. Helena, } amounting to - - - - -		£.	100,690

(Errors excepted.)

East India House, }
2 April 1832. }James C. Melvill,
Audr Indian Acc^{ts}.

Appendix, No. 4.
Finances of India.

— No. 3. —

AMOUNT DEBITED and CREDITED for SUPPLIES to the COMMERCIAL
DEPARTMENT, from *St. Helena, Bencoolen, and Prince of Wales Island.*

	DEBITED COMMERCIAL DEPARTMENT.				CREDITED COMMERCIAL DEPARTMENT.			
	St. Helena.	Bencoolen.	P.W.Island.	TOTAL.	St. Helena.	Bencoolen.	P.W.Island.	TOTAL.
	£.	£.	£.	£.	£.	£.	£.	£.
1814-15 -	-	35,279	-	35,279	—	—	—	—
1815-16 -	2,778	55,330	1,910	60,018	—	—	—	—
1816-17 -	19	15,980	195	16,194	—	—	—	—
1817-18 -	115	21,011	4,280	25,406	—	—	—	—
1818-19 -	227	-	1,034	1,261	-	-	3,435	3,435
1819-20 -	1,212	10,976	600	12,788	—	—	—	—
1820-21 -	250	20,585	2,218	23,053	375	-	-	375
1821-22 -	-	33,917	1,050	34,967	—	—	—	—
1822-23 -	661	43,287	1,226	45,174	373	200	-	573
1823-24 -	1,125	43,173	-	44,298	174	-	-	174
1824-25 -	991	59,313	-	60,304	210	-	-	210
1825-26 -	1,865	-	24,643	26,508	92	-	-	92
1826-27 -	2,116	-	2,602	4,718	689	-	-	689
1827-28 -	2,669	-	48	2,717	129	-	-	129
1828-29 -	2,381	-	12	2,393	420	-	-	420
£.	16,409	338,851	39,818	395,078	2,462	200	3,435	6,097
Deduct Amount Credited -				6,097				
Balance -			£.	388,981				

East India House, }
2 April 1832.

(Errors excepted.)

James C. Melvill,
Aud^r Indian Acc^{ts}.

— No. 4. —

COMBINED ACCOUNT of SUPPLIES between *India* and *London*, including the Heads of His Majesty's Government, *Ceylon*, *Mauritius*, *Java*, the *Moluccas*, &c. from 1814-15 to 1828-29, both Years inclusive.

	BENGAL.	MADRAS.	BOMBAY.	TOTAL.
SUPPLIES from LONDON:	£.	£.	£.	£.
Bills on the Court, including those drawn for principal and interest of Indian debt - - - - -	11,249,310	2,607,612	1,352,667	15,209,589
Credits under the head of His Majesty's Government, including Java, Mauritius, Ceylon, the Moluccas, &c. -	2,765,349	144,213	- - -	2,909,562
Advances to civil and military funds, and to individuals recovered - -	167,501	704,681	245,664	1,117,846
Bullion transmitted through China -	23,628	- - -	- - -	23,628
Consignments of copper coins - -	- - -	28,284	- - -	28,284
Payments on account of the Carnatic fund - - - - -	- - -	1,685,051	- - -	1,685,051
Stamp duty on Bhurtpore prize property - - - - -	25,630	- - -	- - -	25,630
Iron bridge for the Nabob of Oude -	28,918	- - -	- - -	28,918
Privilege certificates to commanders of Europe ships - - - - -	14,290	- - -	- - -	14,290
Annuities to civil servants to be paid by the Court - - - - -	25,343	- - -	- - -	25,343
Family remittances - - - - -	- - -	- - -	1,205	1,205
Miscellaneous - - - - -	17,370	9,637	5,228	32,235
£.	14,317,339	5,179,478	1,604,764	21,101,581
SUPPLIES to LONDON:				
Bills drawn by the Court - - -	63,627	28,356	- - -	91,983
Bills on the King's Government transmitted to the Court - - -	1,362,015	- - -	- - -	1,362,015
Certificates granted by the Court in satisfaction of bills drawn on them -	245,653	- - -	- - -	245,653
Bills on the Court cancelled - -	25,876	- - -	- - -	25,876
Consignments of treasure - - -	2,824,770	926,813	103,420	3,855,003
Supplies to His Majesty's Government, including Java, Mauritius, Ceylon, the Moluccas, &c. - - -	4,236,093	484,882	57,825	4,778,800
Amount placed at the disposal of the Commissioners for the reduction of debt - - - - -	1,500,000	- - -	- - -	1,500,000
Charter-party and other payments -	- - -	- - -	11,613	11,613
Miscellaneous advances and disbursements, including Lord Clive's fund -	98,439	84,052	6,426	188,917
£.	10,356,473	1,524,103	179,284	12,059,860
Balance of SUPPLIES from LONDON - - £.				9,041,721

(Errors excepted.)

East India House, }
2 April 1832. }James C. Melvill,
Aud^r Indian Acc^{ts}.

(Appendix to No. 4.)

ACCOUNT of SUPPLIES between *India* and *London*, including the Heads of
from 1814-15 to 1828-29,

BENGAL.	1814-15.	1815-16.	1816-17.	1817-18.	1818-19.	1819-20.
SUPPLIES from LONDON :						
Bills on the Court (including those drawn for Principal and Interest of Indian Debt) - -	<i>Sicca Rupees.</i> 38,79,831	<i>Sicca Rupees.</i> 14,04,994	<i>Sicca Rupees.</i> 21,69,518	<i>Sicca Rupees.</i> 23,83,096	<i>Sicca Rupees.</i> 14,30,689	<i>Sicca Rupees.</i> 26,91,491
Credits, under the Head of His Majesty's Government, including Java, Mauritius, Ceylon, the Moluccas, &c. - - - - -	1,03,983	6,97,914	1,16,82,811	14,84,189	20,54,468	16,59,372
Bullion transmitted through China - - -	-	-	2,03,692	-	-	-
Advances to Civil and Military Funds, &c. recovered - - - - -	-	-	21,552	40,129	18,966	22,414
Stamp Duty on Bhurtpore Prize Property -	-	-	-	-	-	-
Iron Bridge for the Nabob of Oude - - -	-	-	1,79,913	-	-	-
Privilege Certificates to Commanders of Europe Ships - - - - -	-	-	-	-	-	20,000
Annuities to Civil Servants to be paid by the Court -	-	-	-	-	-	-
Miscellaneous - - - - -	15,032	-	4,800	-	-	-
<i>Sicca Rupees</i>	39,98,846	21,02,908	1,42,62,286	39,07,414	35,04,123	43,93,277
SUPPLIES to LONDON :						
Bills drawn by the Court - - - - -	3,71,210	65,000	-	-	-	-
Bills on the King's Government transmitted to the Court - - - - -	-	-	13,00,195	13,21,398	17,63,517	14,56,958
Certificates Granted by the Court in satisfaction of Bills drawn on them - - - - -	-	-	-	-	-	-
Bills on the Court cancelled - - - - -	-	-	-	-	-	-
Treasure consigned - - - - -	-	-	-	-	-	-
Supplies to the King's Government, including Java, Ceylon, Mauritius, the Moluccas, &c. -	71,09,102	44,35,306	68,31,730	24,62,329	39,61,415	25,00,967
Amount placed at the disposal of the Commissioners for the Reduction of Debt - -	-	-	-	-	-	-
Miscellaneous Advances and Disbursements, including Lord Clive's Fund - - - - -	61,464	17,827	36,494	36,157	42,368	36,464
<i>Sicca Rupees</i>	75,41,776	45,18,133	81,68,419	38,19,884	57,67,300	39,94,389
Balance of Supplies from London { <i>Rupees</i> - - £.	-	-	60,93,867	87,530	-	3,98,888
	-	-	706,889	10,153	-	46,271
Ditto - - ditto - to London { <i>Rupees</i> - - £.	35,42,930	24,15,225	-	-	22,63,177	-
	410,980	280,166	-	-	262,528	-

(Appendix to No. 4.)

His Majesty's Government, *Ceylon, Mauritius, Java, the Moluccas, &c.*;
both Years inclusive.

1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	TOTAL.
<i>Sicca Rupees.</i> 90,68,468	<i>Sicca Rupees.</i> 1,19,73,376	<i>Sicca Rupees.</i> 2,58,24,081	<i>Sicca Rupees.</i> 60,28,133	<i>Sicca Rupees.</i> 97,84,122	<i>Sicca Rupees.</i> 45,51,256	<i>Sicca Rupees.</i> 45,70,476	<i>Sicca Rupees.</i> 50,04,996	<i>Sicca Rupees.</i> 62,12,287	<i>Sicca Rupees.</i> 9,69,76,814
10,08,385	8,95,239	4,83,889	2,37,753	10,12,387	5,59,913	9,88,197	5,84,378	3,86,335	2,38,39,213
-	-	-	-	-	-	-	-	-	2,03,962
19,828	46,193	71,458	1,08,968	77,328	1,82,611	2,07,450	3,64,908	2,62,079	14,43,974
-	-	-	-	-	-	-	-	2,20,944	2,20,944
-	69,376	-	-	-	-	-	-	-	2,49,289
-	29,084	74,104	-	-	-	-	-	-	1,23,188
-	-	-	-	-	-	28,333	65,556	1,24,583	2,18,472
-	-	53,975	34,695	1,710	7,735	11,794	17,089	2,916	1,49,746
1,00,96,681	1,30,13,268	2,65,07,597	64,09,549	1,08,75,547	53,01,515	58,06,250	60,36,927	72,09,144	12,54,25,332
-	45,283	-	67,015	-	-	-	-	-	5,48,508
8,31,347	9,37,928	4,12,709	2,37,054	9,91,626	5,43,379	9,84,680	5,78,542	3,82,173	1,17,41,506
-	-	-	21,17,700	-	-	-	-	-	21,17,700
86,547	-	20,600	-	1,15,921	-	-	-	-	2,23,068
-	1,66,06,176	-	41,90,573	-	-	-	35,54,721	-	2,43,51,470
19,20,038	20,61,595	11,56,638	4,54,370	12,25,556	2,39,945	11,60,789	5,91,157	4,07,102	3,65,18,039
-	-	1,29,31,034	-	-	-	-	-	-	1,29,31,034
51,834	27,781	1,35,260	52,355	28,524	1,01,615	1,12,243	55,708	52,520	8,48,614
28,89,766	1,96,78,763	1,46,56,241	71,19,067	23,61,627	8,84,939	22,57,712	47,80,128	8,41,795	8,92,79,939
72,06,915	-	1,18,51,356	-	85,13,920	44,16,576	35,48,538	12,56,799	63,67,349	3,41,45,393
836,002	-	1,374,757	-	987,615	512,323	411,630	145,789	738,612	3,960,866
-	66,65,495	-	7,09,518	-	-	-	-	-	-
-	773,197	-	82,304	-	-	-	-	-	-

1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	TOTAL.
<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>
27,65,728	25,68,296	13,24,347	8,43,801	8,86,576	9,95,346	12,81,100	15,85,851	18,61,169	2,28,16,607
2,74,358	82,512	70,382	72,130	71,204	64,732	37,584	92,858	70,440	12,61,861
9,43,263	7,44,830	8,40,123	8,81,371	7,76,212	7,97,746	9,28,544	10,35,832	8,27,254	1,47,44,200
3,05,536	5,06,722	5,46,446	5,11,791	5,32,366	4,97,249	6,94,784	7,07,240	7,08,058	61,65,956
-	-	-	-	-	28,105	1,20,666	98,718	-	2,47,489
-	-	-	3,030	1,833	6,931	14,541	19,359	22,652	84,327
42,88,885	39,02,360	27,81,298	23,12,123	22,68,191	23,90,109	30,77,219	35,39,858	34,89,573	4,53,20,440
19,658	17,430	19,905	9,818	20,558	19,372	8,971	32,629	37,410	2,48,113
-	-	-	50,93,242	-	-	-	30,16,376	-	81,09,618
82,096	84,776	91,166	66,751	64,265	66,790	1,00,012	1,68,775	98,407	42,42,711
32,888	30,679	32,358	46,876	60,608	94,982	140,341	1,07,548	1,01,537	7,35,461
1,34,642	1,32,885	1,43,429	52,16,687	1,45,431	1,81,144	2,49,324	33,25,328	2,37,354	1,33,35,903
41,54,243	37,69,475	26,37,869	-	21,22,760	22,08,965	28,27,895	2,14,530	32,52,219	3,19,84,537
474,771	430,797	301,471	-	242,601	252,453	323,188	24,518	371,682	3,655,376
-	-	-	{ <i>Rupees</i> £. 29,04,564 331,950		-	-	-	-	-

10,59,148	11,83,255	7,51,201	5,01,395	5,64,540	5,95,211	7,06,811	9,48,273	11,74,825	1,20,23,708
1,20,454	1,43,193	34,425	82,574	363,231	1,78,962	1,54,806	1,91,741	3,36,828	21,83,679
-	-	-	-	-	1,726	2,358	3,255	3,375	10,714
577	1,372	299	1,475	1,506	33,295	998	4,144	-	46,473
11,80,179	13,27,820	7,85,925	5,85,384	9,02,277	8,09,194	864,973	11,47,413	15,15,028	1,42,64,574
-	-	-	9,19,287	-	-	-	-	-	9,19,287
-	-	-	-	-	-	-	-	-	5,14,000
-	-	-	-	-	-	-	-	-	1,03,277
-	-	4,089	2,598	31,870	282	4,016	3,900	10,368	57,123
-	-	4,089	9,21,885	31,870	282	4,016	3,900	10,368	15,93,637
11,80,179	13,27,820	7,81,836	-	8,70,407	8,08,912	8,60,957	11,43,513	15,04,660	1,26,70,937
132,770	149,380	87,957	-	97,921	91,003	96,858	128,645	169,274	1,425,480
-	-	-	{ <i>Rupees</i> £. 3,36,501 37,856		-	-	-	-	-

COMBINED ACCOUNT of SUPPLIES between COMMERCE and TERRITORY
in India, from 1814-15 to 1828-29, both Years inclusive.

	BENGAL.	MADRAS.	BOMBAY.	TOTAL
SUPPLIES from COMMERCE:	£.	£.	£.	£.
Sales of Imports and Exports, &c. -	3,207,166	550,518	2,313,670	6,071,354
Stores issued to different departments, & } consigned to the other Presidencies, &c. }	1,560,121	644,380	12,129	2,216,630
Bullion received from England -	218,045	-	-	218,045
Advances and Charges recovered -	-	183,486	-	183,486
Miscellaneous (including difference of } exchange) - - - - }	48,987	36,370	-	85,357
Treasure consigned from Canton -	570,720	-	-	570,720
Other supplies from ditto -	1,175	15,142	2,948	19,265
	5,606,214	1,426,896	2,328,747	9,364,857
SUPPLIES to COMMERCE:				
Advances for the purchase of Invest- } ments, &c. - - - - }	21,468,625	4,540,868	3,581,728	29,591,221
Customs duty on the Investments -	425,273	142,785	30,010	598,068
Stores, &c. received from different de- } partments and consigned from the } other Presidencies - - - - }	242,291	173,134	449,341	864,766
Building Ships for the Company's } Trade - - - - }	-	-	7,167	7,167
Commercial Salaries and Establishments	541,467	473,562	-	1,015,029
Charterparty allowances and demorage } of Europe ships - - - - }	87,884	26,562	-	114,446
Charges of merchandize - - - -	-	260,111	-	260,111
Recoveries on account of His Majesty's } Government - - - - }	63,378	-	-	63,378
Miscellaneous - - - -	68,973	56,706	-	125,679
Bills drawn by the Canton Supra- } cargoes - - - - }	5,808,339	-	436,480	6,244,819
Treasure remitted to ditto - - -	707,218	-	-	707,218
Other Supplies to ditto, including Stores	67,943	-	69,307	137,250
£.	29,481,391	5,673,728	4,574,033	39,729,152
Balance of SUPPLIES to COMMERCE - - £.				30,364,295

(Errors excepted.)

East India House, }
2 April 1832. }James C. Melvill,
Audr Indian Acc^{ts}.

(Appendix to No. 5.)

ACCOUNT of SUPPLIES between COMMERCE and TERRITORY in *India*,
from 1814-15 to 1828-29, both Years inclusive.

(Appendix to No. 5.)

ACCOUNT of SUPPLIES between COMMERCE and TERRITORY

BENGAL.	1814-15.	1815-16.	1816-17.	1817-18.	1818-19.	1819-20.
SUPPLIES from COMMERCE:	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>
Sale of Imports and Exports - - -	18,67,799	25,54,200	24,44,536	19,48,465	26,75,219	20,58,010
Stores issued to different Departments, and con- signed to the other Presidencies, &c. - -	15,69,383	13,18,413	21,31,640	15,20,459	12,91,746	13,96,484
Bullion received from England - - -	-	-	-	9,51,130	9,28,572	-
Miscellaneous (including difference of Exchange)	-	-	65,029	22,966	18,345	14,367
Treasure consigned from Canton - - -	-	-	-	-	49,20,000	-
Tea - - ditto - - ditto - - -	-	-	-	-	-	-
<i>Sicca Rupees</i>	34,37,182	38,72,613	46,41,205	44,43,020	98,33,882	34,68,861
SUPPLIES to COMMERCE:						
Advances for the purchase of Investments -	49,83,377	75,57,718	78,49,727	90,18,774	89,89,043	1,20,25,285
Customs Duty on the Investments - - -	5,33,211	1,65,563	1,96,365	2,29,279	1,65,704	2,93,701
Stores received from different Departments, and consigned from the other Presidencies, &c. -	-	2,30,138	1,22,747	2,07,393	1,22,867	3,12,248
Salaries of the Members of the Board of Trade and other Commercial Servants - - -	2,81,145	2,84,424	2,79,398	2,75,796	2,92,044	3,14,618
Charter-party allowances and demorage of Europe Ships - - - - -	84,872	1,20,282	95,677	1,38,615	96,699	99,375
Recoveries on account of His Majesty's Govern- ment - - - - -	-	-	4,72,456	-	-	-
Miscellaneous - - - - -	-	-	11,465	14,853	25,740	56,804
Bills drawn by the Canton Supracargoes -	49,41,034	45,33,999	22,99,396	31,40,121	-	12,23,020
Treasure remitted to - ditto - - -	-	10,30,208	4,07,385	-	-	25,55,162
Consignment of Cotton, &c. to ditto - -	3,49,478	2,32,660	-	3,581	-	-
<i>Sicca Rupees</i>	1,11,73,117	1,41,54,992	1,17,34,616	1,30,28,412	96,92,097	1,68,80,213
Balance of Supplies to Commerce { <i>Sicca Rupees</i>	77,35,935	1,02,82,379	70,93,411	85,85,392	-	1,34,11,352
- - - £.	897,368	1,192,756	822,835	995,905	-	1,555,717
Ditto - ditto - from ditto - - - -	-	-	-	-	1,41,785	16,447

(Appendix to No. 5.)

in India, from 1814-15 to 1828-29, both Years inclusive.

1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	TOTAL.
<i>Sicca Rupees.</i> 19,95,557	<i>Sicca Rupees.</i> 29,06,846	<i>Sicca Rupees.</i> 24,97,931	<i>Sicca Rupees.</i> 25,39,554	<i>Sicca Rupees.</i> 18,34,242	<i>Sicca Rupees.</i> 4,05,992	<i>Sicca Rupees.</i> 8,26,350	<i>Sicca Rupees.</i> 3,49,693	<i>Sicca Rupees.</i> 7,43,586	<i>Sicca Rupees.</i> 2,76,47,980
10,50,134	9,77,374	6,30,272	3,66,375	3,66,540	2,23,376	2,20,871	2,77,814	1,08,435	1,34,49,316
-	-	-	-	-	-	-	-	-	18,79,702
16,391	17,718	1,08,583	37,221	23,707	25,199	42,958	20,751	9,065	4,22,300
-	-	-	-	-	-	-	-	-	49,20,000
-	-	-	-	-	-	-	-	10,132	10,132
30,62,082	39,01,938	32,36,786	29,43,150	22,24,489	6,54,567	10,90,179	6,48,258	8,71,218	4,83,29,430
1,17,20,455	1,25,27,946	1,29,34,014	1,29,77,182	1,39,11,644	1,61,03,896	1,83,66,908	2,05,96,078	1,55,12,305	18,50,74,352
2,82,810	2,58,912	2,59,858	1,34,261	2,24,565	2,10,935	2,45,378	2,02,380	2,63,220	36,66,142
87,169	56,948	77,847	1,05,209	68,390	1,98,530	69,973	2,07,464	2,21,788	20,88,711
3,11,429	2,94,683	3,70,081	3,37,375	3,21,160	3,17,917	3,40,658	3,35,484	3,11,605	46,67,817
40,181	57,238	24,681	-	-	-	-	-	-	7,57,620
-	-	73,908	-	-	-	-	-	-	5,46,364
13,250	15,792	24,319	89,020	30,360	1,38,449	55,755	85,405	33,385	5,94,597
37,50,292	35,23,257	45,16,960	40,51,149	70,09,722	14,89,860	11,26,088	15,49,994	69,17,000	5,00,71,892
-	-	-	21,03,953	-	-	-	-	-	60,96,708
-	-	-	-	-	-	-	-	-	5,85,719
1,62,05,586	1,67,34,776	1,82,81,668	1,97,98,149	2,15,65,841	1,84,59,587	2,02,04,760	2,29,76,805	2,32,59,303	25,41,49,922
1,31,43,504	1,28,32,838	1,50,44,882	1,68,54,999	1,93,41,352	1,78,05,020	1,91,14,581	2,23,28,547	2,23,88,085	20,58,20,492
1,524,646	1,488,609	1,745,206	1,955,180	2,243,597	2,065,382	2,217,291	2,590,111	2,597,018	23,875,174

MADRAS.		1814-15.	1815-16.	1816-17.	1817-18.	1818-19.	1819-20.
SUPPLIES from COMMERCE :		Rupees.	Rupees.	Rupees.	Rupees.	Rupees.	Rupees.
Sale of Imports and Exports (including gain on Sales, &c.) - - - - -		7,10,227	4,38,294	2,88,260	4,26,388	2,78,018	7,77,007
Stores issued to the different Departments and consigned to the other Presidencies - -		6,78,482	5,51,558	6,24,103	3,15,003	2,24,162	4,41,468
Advances and Charges recovered - - -		1,63,583	58,697	1,62,389	64,893	1,53,984	3,23,626
Miscellaneous - - - - -		3,398	7,534	19,516	11,358	28,418	747
Supplies from Canton - - - - -		- - -	44,898	63,931	21,689	1,973	- - -
	Rupees	15,55,690	11,00,981	11,58,199	8,39,331	6,86,555	15,42,848
SUPPLIES to COMMERCE :							
Commercial Salaries and Establishments -		5,52,766	5,13,807	4,83,903	5,00,465	4,07,180	3,83,400
Advances for the provision of Investments including the Ceylon Cinnamon Investment, &c.		23,20,979	34,15,913	38,73,006	34,25,723	34,43,376	27,50,189
Customs Duty on the Investments - - -		2,60,022	1,56,016	81,526	48,832	1,13,351	77,383
Charges of Merchandize - - - - -		3,48,064	3,15,570	2,47,492	2,87,605	2,65,484	3,03,932
Demorage, Charter-party Allowances, &c. -		35,753	77,528	38,230	37,597	12,843	15,759
Dead Stock and Stores, &c. - - - - -		- - -	- - -	4,52,662	4,94,102	41,611	67,926
Miscellaneous, including loss on Sales - -		29,841	35,623	22,158	61,852	65,476	33,888
	Rupees	35,47,425	45,14,457	51,98,977	48,56,176	43,49,321	36,32,477
Balance of Supplies from Commerce { Rupees £.		—	—	—	—	—	—
Ditto - ditto - to ditto - { Rupees £.		19,91,735 227,627	34,13,476 390,111	40,40,778 461,803	40,16,845 459,068	36,62,766 418,602	20,89,629 238,815
BOMBAY.							
SUPPLIES from COMMERCE :							
Sale of Imports, &c. - - - - -		17,47,849	19,23,486	14,29,121	16,10,557	21,01,228	19,86,989
Stores consigned to other Presidencies, &c. -		- - -	- - -	- - -	- - -	- - -	- - -
Supplies from China - - - - -		- - -	7,602	12,100	- - -	- - -	5,845
	Rupees	17,47,849	19,31,088	14,41,221	16,10,557	21,01,228	19,92,834
SUPPLIES to COMMERCE :							
Advances for the purchase of Investments, &c. -		28,68,224	38,75,346	30,75,249	42,26,170	31,34,889	9,72,013
Stores received from the other Presidencies -		37,184	1,87,703	3,64,342	3,55,966	6,74,580	9,07,772
Building Ships for the Company's trade - -		2,385	61,320	- - -	- - -	- - -	- - -
Customs Duty on the Investments, &c. - - -		- - -	- - -	- - -	- - -	- - -	- - -
Supplies to Canton, including Stores - - -		- - -	- - -	359	- - -	- - -	- - -
Bills of the Canton Supracargoes - - - -		- - -	- - -	1,32,000	- - -	- - -	- - -
	Rupees	29,07,793	41,24,369	35,71,950	45,82,136	38,09,469	18,79,785
Balance of Supplies from Commerce { Rupees £.		- - -	- - -	- - -	- - -	- - -	1,13,049 12,718
Ditto - ditto - to ditto - - { Rupees £.		11,59,944 130,494	21,93,281 246,744	21,30,729 239,706	29,71,579 334,303	17,08,241 192,177	- - - - - -

1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	TOTAL.
<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>	<i>Rupees.</i>
1,92,898	5,65,694	4,14,719	1,95,760	2,30,175	2,07,702	60,793	21,293	9,806	48,17,034
11,28,459	3,15,927	2,66,092	2,72,173	2,28,894	2,62,817	1,05,071	1,19,811	1,04,303	56,38,323
1,24,501	3,48,821	2,05,010	- - -	- - -	- - -	- - -	- - -	- - -	16,05,504
13,832	4,040	8,282	41,031	49,819	6,436	58,276	30,962	34,590	3,18,239
- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,32,491
14,59,690	12,34,482	8,94,103	5,08,964	5,08,888	4,76,955	2,24,140	1,72,066	1,48,699	1,25,11,591
3,74,853	2,54,716	2,16,686	94,619	77,899	69,367	68,315	72,057	73,633	41,43,666
33,87,968	27,76,813	19,35,137	16,14,425	22,06,201	12,18,889	20,32,787	31,36,526	21,94,667	3,97,32,599
76,671	37,173	37,679	53,111	58,970	57,622	42,187	56,884	91,943	12,49,370
3,20,887	1,05,962	80,983	- - -	- - -	- - -	- - -	- - -	- - -	22,75,979
5,957	1,750	7,000	- - -	- - -	- - -	- - -	- - -	- - -	2,32,417
1,41,082	16,825	3,601	23,354	60,930	29,029	20,282	1,12,337	51,177	15,14,918
22,308	24,407	63,619	9,097	11,480	42,889	31,459	7,995	34,084	4,96,176
43,29,726	32,17,646	23,44,705	17,94,606	24,15,480	14,17,796	21,95,030	33,85,799	24,45,504	4,96,45,125
-	-	-	-	-	-	-	-	-	-
28,70,036	19,83,164	14,50,602	12,85,642	19,06,592	9,40,841	19,70,890	32,13,733	22,96,805	3,71,33,534
328,004	226,647	165,783	146,931	217,896	107,525	225,244	367,284	262,492	4,243,832
17,52,812	23,28,385	18,36,891	13,61,358	13,60,255	5,90,281	2,83,189	1,68,049	85,508	2,05,65,958
66,842	7,209	- -	- -	- -	- -	993	13,251	19,515	1,07,810
- -	- -	- -	- -	- -	- -	- -	464	198	26,209
18,19,654	23,35,594	18,36,891	13,61,358	13,60,255	5,90,281	2,84,182	1,81,764	1,05,221	2,06,99,977
19,23,270	14,77,316	13,23,085	13,24,172	24,00,140	12,38,777	11,20,060	17,39,140	11,39,732	3,18,37,583
13,47,042	56,170	24,720	- -	19	- -	32,934	5,707	- -	39,94,139
- -	- -	- -	- -	- -	- -	- -	- -	- -	63,705
- -	- -	- -	- -	- -	- -	88,440	1,16,038	62,274	2,66,752
- -	- -	5,00,690	97,714	17,298	- -	- -	- -	- -	6,16,061
- -	- -	27,23,462	10,24,368	- -	- -	- -	- -	- -	38,79,830
32,70,312	15,33,486	45,71,957	24,46,254	24,17,457	12,38,777	12,41,434	18,60,885	12,02,006	4,06,58,070
- -	8,02,108	-	-	-	-	-	-	-	-
- -	90,237	-	-	-	-	-	-	-	-
14,50,658	- -	27,35,066	10,84,896	10,57,202	6,48,496	9,57,252	16,79,121	10,96,785	1,99,58,093
163,199	- -	307,695	122,051	118,935	72,956	107,691	188,901	123,388	2,245,285

A STATEMENT of the CASH DEBT TRANSACTIONS of *Bengal, Madras and Bombay*, from 1814-15 to 1828-29 inclusive.

										£.
1814-15	Amount of Debt incurred in this year in excess of the amount discharged - - - - - }									1,001,225
1815-16	-	-	ditto	-	-	ditto	-	-	-	1,564,839
1816-17	-	-	ditto	-	-	ditto	-	-	-	410,811
1817-18	-	-	ditto	-	-	ditto	-	-	-	706,843
1818-19	-	-	ditto	-	-	ditto	-	-	-	1,820,849
1819-20	-	-	ditto	-	-	ditto	-	-	-	3,564,176
1821-22	-	-	ditto	-	-	ditto	-	-	-	14,283
1824-25	-	-	ditto	-	-	ditto	-	-	-	860,779
1825-26	-	-	ditto	-	-	ditto	-	-	-	5,070,374
1826-27	-	-	ditto	-	-	ditto	-	-	-	1,112,328
1827-28	-	-	ditto	-	-	ditto	-	-	-	4,458,552
Deduct,										20,585,059
1820-21	Amount of Debt discharged in this year in excess of the amount incurred - }								£.	38,143
1822-23	-	-	ditto	-	-	ditto	-	-	-	341,030
1823-24	-	-	ditto	-	-	ditto	-	-	-	2,785,846
1828-29	-	-	ditto	-	-	ditto	-	-	-	130,176
										3,295,195
Net Amount incurred -										17,289,864
Of which there has been cancelled by the King of Oude for cession of Territory - - - - - }										1,109,975
Amount of Cash Debt actually incurred - - - £.										16,179,889

East India House, }
2 April 1832. }

(Errors excepted.)

James C. Melvill,
Aud^r Indian Acc^{ts}.

—No. 7. (A.)—

A SUMMARY VIEW of the CASH TRANSACTIONS of the Government of
Bengal, from 1814-15 to 1828-29, inclusive.

— No. 7. (A.) —

A SUMMARY VIEW of the CASH TRANSACTIONS of the GOVERNMENT

	1814-15.	1815-16.	1816-17.	1817-18.	1818-19.	1819-20.
	£.	£.	£.	£.	£.	£.
BALANCE at the commencement of each official year - - - - -	2,245,210	2,785,144	3,005,136	4,162,437	2,697,858	3,648,062
Add:						
The Amount of Revenues realized in each year, per Budget Account No. 1. - - -	11,089,823	11,243,273	11,789,511	11,621,514	12,370,370	12,187,570
Extraordinary Receipts in excess of Extraordinary Charges, which were omitted in Budget Account No. 1. - - - - -	36,875	- - -	- - -	- - -	- - -	- - -
Supplies from London (exclusive of Political Stores included in Home Charges) in excess of supplies thereto - - - - -	- - -	- - -	706,888	10,153	- - -	46,271
Supplies from Madras and Bombay, in excess of supplies thereto - - - - -	—	—	—	—	—	—
Supplies from the Commercial Department, including Canton, in excess of supplies thereto - - - - -	- - -	- - -	- - -	- - -	16,447	- - -
Debt incurred, in excess of Debt discharged	983,770	1,350,061	385,653	396,529	1,719,678	3,370,141
TOTAL RECEIPTS in each year, combined with the Balance at the commencement of each year - - - - -	14,355,678	15,378,478	15,887,188	16,190,633	16,804,353	19,252,044
Deduct:						
Amount of the Territorial Charges incurred in each year, per Budget Account No. 1, which excludes the value of Political Stores charged in the Home Account - - -	7,3, 005	7,854,681	8,025,980	8,483,924	9,087,377	8,950,160
Extraordinary Charges in excess of extraordinary Receipts which were omitted in the Budget Account No. 1. - - - - -	- - -	2,286	5,591	38,218	29,058	31,160
Interest on Debt, not included in No. 1, but stated in the combined view of the Revenues and Charges of India, in Budget Account No. 8. - - - - -	1,392,776	1,458,145	1,587,655	1,611,642	1,531,475	1,808,764
Supplies to London, in excess of supplies therefrom - - - - -	410,980	280,166	- - -	- - -	262,528	- - -
Ditto to Madras and Bombay, in excess of supplies therefrom - - - - -	1,323,577	1,407,859	1,135,338	2,156,285	2,054,224	1,753,834
Ditto to Subordinate Settlements (including St. Helena) in excess of supplies therefrom	172,828	177,449	147,352	206,801	191,629	169,461
Ditto to Commercial Department (including Canton) in excess of supplies therefrom -	897,368	1,192,756	822,835	995,905	- - -	1,555,717
Debt paid off, in excess of Debt incurred -	- - -	- - -	- - -	- - -	- - -	- - -
TOTAL PAYMENTS - - -	11,570,534	12,373,342	11,724,751	13,492,775	13,156,291	14,269,096
BALANCE remaining at the close of each official year - - - } £.	2,785,144	3,005,136	4,162,437	2,697,858	3,648,062	4,982,948

East India House }
2 April 1832. }

— No. 7. (A.) —

of Bengal, from 1814-15, to 1828-29, inclusive.

1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	GRAND TOTAL.
£,	£.	£.	£.	£.	£.	£.	£.	£.	£.
4,982,948	6,749,870	7,016,907	7,292,272	4,075,501	2,619,391	3,375,480	2,743,048	3,772,683	Balance 1 May 1814. 2,245,210
13,487,218	13,340,503	14,163,278	12,950,308	13,479,192	13,119,658	14,757,089	14,921,983	14,784,870	
- - -	20,561	- - -	- - -	5,548	1,624	10,149	22,730	5,109	102,596
836,002	- - -	1,374,757	- - -	987,614	512,323	411,630	145,788	738,613	5,770,039
-	-	-	-	-	-	-	-	-	-
- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	16,447
- - -	177,901	- - -	- - -	182,787	4,947,348	1,685,056	4,589,673	- - -	19,788,597
19,306,168	20,288,835	22,554,942	20,242,580	18,730,642	21,200,344	20,239,404	22,423,222	19,301,275	223,229,049
8,750,757	8,540,182	8,746,042	9,445,538	11,394,496	12,634,516	11,891,536	11,774,626	10,149,617	143,102,437
147,538	- - -	47,209	1,282	- - -	- - -	- - -	- - -	- - -	302,342
1,758,394	1,816,030	1,517,532	1,465,890	1,225,683	1,338,983	1,513,616	1,712,253	1,890,605	23,629,443
- - -	773,198	- - -	82,304	- - -	- - -	- - -	- - -	- - -	1,809,176
42,126	461,066	2,066,002	175,353	993,122	1,710,820	1,762,590	2,435,529	1,149,158	20,626,883
151,434	192,843	265,608	172,789	254,353	75,163	111,323	138,020	147,500	2,574,553
1,524,646	1,488,609	1,745,206	1,955,180	2,243,597	2,065,382	2,217,291	2,590,111	2,597,018	23,891,621
181,403	- - -	875,071	2,868,743	- - -	- - -	- - -	- - -	221,085	4,146,302
12,556,298	13,271,928	15,262,670	16,167,079	16,111,251	17,824,864	17,496,356	18,650,539	16,154,983	220,082,757
6,749,870	7,016,907	7,292,272	4,075,501	2,619,391	3,375,480	2,743,048	3,772,683	3,146,292	3,146,292

(Errors excepted.)

(signed)

James C. Melvill,
Aud^r Indian Acc^{ts}.

No. 7. (A.)—continued.

A SUMMARY of the CASH TRANSACTIONS of *Bengal* and its Subordinates, from the Year 1814-15 to 1828-29, including Supplies made to and received from other Presidencies, &c.

	S.Rs.	S.Rs.
BY CASH BALANCES remaining in the Treasuries of the several Departments on the 30th April 1814 - - - - -	- - -	1,93,55,256
1814-15:		
Amount of Territorial Revenues realized in this year, according to Budget Account No. 1, annually presented to Parliament, Ct. Rs. 11,08,98,235, or - - - - -	9,56,01,927	
Further Amount of Revenue, chiefly of an extraordinary nature, not included in the above view - - - - -	12,73,060	
TOTAL REVENUES - - -	9,68,74,987	
Amount of Territorial Charges incurred in this year, according to Budget Account No. 1, annually presented to Parliament, Ct. Rs. 7,37,30,047, or 6,35,60,385	S.Rs.	
Further Charges omitted in the above view - - - - -	9,55,177	
Interest on Debt not included in No. 1, but stated in the combined view of the Revenues and Charges of India, in Budget No. 8. - - - - -	1,20,06,691	
TOTAL CHARGES - - -	7,65,22,253	
Surplus - - -	2,03,52,734	
SUPPLIES:		
From London, including transactions on account His Majesty's Government - - - S.Rs. 43,72,388	S.Rs.	
Deduct for sale of Stores credited as a Receipt - - - 3,73,542		
From Madras - - - 39,98,846		
From Bombay - - - 32,16,177		
From Subordinate Settlements - - - 11,51,680		
From Commercial Department - - - 1,94,877		
	34,37,182	
	1,19,98,762	
Excess of Supplies rendered - - - S.Rs. 2,41,78,905		
	S.Rs. 3,61,77,667	
To London, including transactions on account His Majesty's Government - - -	S.Rs.	75,41,776
To Madras - - - S.Rs. 84,54,403		
Deduct advances on account of His Majesty's Government, included above - - - 1,39,953		
To Bombay - - -		83,14,450
		74,63,602
To Subordinate Settlements - - -		16,84,722
To Commercial Department - - -		1,11,73,117
	S.Rs. 3,61,77,667	
DEBT TRANSACTIONS:		
Debt incurred in the several Departments - - - S.Rs. 3,59,14,449	S.Rs.	
	S.Rs. 3,59,14,449	
Debt paid off in the several Departments - - -	S.Rs.	2,74,33,675
Excess of Debt incurred - - -		84,80,774
	S.Rs. 3,59,14,449	
Excess of Supplies rendered, as above - - - - -		2,41,78,905
Deduct, Excess of Debt incurred - - - - -		84,80,774
Deduct Supplies, &c. rendered, from the Surplus Revenue - - -		1,56,98,131
		46,54,603
BALANCE remaining on the 30th April 1815 - - - S.Rs.		2,40,09,859

		S. Rs.	S. Rs.
BY BALANCE remaining on the 30th April 1815 - - - - -		- - -	2,40,09,859
1815-1816 :			
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account No. 1 presented to Parliament, Ct. Rs. 11,24,32,728, or - - - - -		9,69,24,766	
Further Amount of Revenues included in Account No. 1. - - - - -		14,87,303	
TOTAL REVENUES - - -		9,84,12,069	
Amount of Territorial Charges incurred in this year, per Annual Parliamentary Account No. 1, Ct. Rs. 7,85,46,812, or - - - - -		S. Rs. 6,77,12,769	
Further Charges, omitted in No. 1. - - - - -		15,07,009	
Interest on Debt, not included in No. 1, but stated in No. 8. - - - - -		1,25,70,213	
TOTAL CHARGES - - -		8,17,89,991	
Surplus - - -		1,66,22,078	
SUPPLIES :			
From London, including transactions on account of His Majesty's Government -	S. Rs. 24,09,030	To London, including transactions on account of His Majesty's Government -	S. Rs. 45,18,133
Deduct sale of Stores, credited as Extraordinary Revenue	3,06,122	To Madras -	S. Rs. 94,86,116
	21,02,908	Deduct Naval Advances, included above -	1,12,708
From Madras -	24,80,611		93,73,408
Add, Commercial consignment -	2,30,138	To Bombay -	65,15,947
	27,10,749	To Subordinate Settlements -	17,23,753
From Bombay -	10,41,888	To Commercial Department, including Canton -	1,39,24,854
From Subordinate Settlements	1,94,019	Add, consignment to Madras -	2,30,138
From Commercial Department	38,72,613		1,41,54,992
	99,22,177		S. Rs. 3,62,86,233
Excess of Supplies rendered	2,63,64,056		
	S. Rs. 3,62,86,233		
DEBT TRANSACTIONS :			
Debt incurred in the several Departments -	S. Rs. 3,20,16,376	Debt paid off in the several Departments -	S. Rs. 2,03,77,908
		Excess of Debt incurred -	1,16,38,468
	S. Rs. 3,20,16,376		S. Rs. 3,20,16,376
Excess of Supplies, as shown above - - - - -		2,63,64,056	
Deduct, Excess of Debt incurred - - - - -		1,16,38,468	
Deduct Supplies, &c. rendered, from the Surplus Revenue - - -		1,47,25,588	
BALANCE remaining on the 30th April 1816 - - -		S. Rs.	2,59,06,349

	S.Rs.	S.Rs.
BY BALANCE remaining on the 30th April 1816 - - - - -	-	2,59,06,349
1816-17:		
Amount of Territorial Revenues realized in this year, according to Annual Budget Account No. 1, presented to Parliament, Ct. Rs. 11,78,95,107, or - - - - -	10,16,33,713	
Further Amount of Revenues not included in Account No. 1. - - - - -	15,32,310	
TOTAL REVENUES - - -	10,31,66,023	
Amount of Territorial Charges incurred in this year per Annual Parliamentary Account No. 1, Ct. Rs. 8,02,59,798, or - - - - -	S.Rs. 6,91,89,481	
Further Charges omitted in No. 1. - - - - -	15,80,512	
Interest on Debt not included in No. 1, but stated in No. 8. - - - - -	1,36,86,680	
TOTAL CHARGES - - -	8,44,56,673	
Surplus - - -	1,87,09,350	
SUPPLIES:		
From London, including transactions on account of His Majesty's Government - S.Rs. 1,43,44,590		
Deduct, Sale of stores credited as Extraordinary Revenue - 82,304		
From Madras - - - - -	50,74,433	
From Bombay - - - - -	11,88,692	
From Subordinate Settlements - - - - -	2,90,817	
From Commercial Department - - - - -	46,41,205	
Excess of Supplies rendered - - - - -	1,20,57,216	
S.Rs. 3,75,14,649		
To London, including transactions on account of His Majesty's Government - - - - -	81,68,419	
To Madras - 1,01,08,828		
Deduct Naval Advances included above - - - 42,601		
To Bombay - - - - -	59,84,297	
To Subordinates - - - - -	15,61,090	
To Commercial Department, including Canton - - - - -	1,17,34,616	
S.Rs. 3,75,14,649		
DEBT TRANSACTIONS:		
Debt incurred in the several Departments - - - - -	2,92,47,222	
S.Rs. 2,92,47,222		
Debt paid off in the several Departments - - - - -	2,59,22,631	
Excess of Debt incurred - - - - -	33,24,591	
S.Rs. 2,92,47,222		
Excess of Supplies rendered, as shown above - - - - -	1,20,57,216	
Deduct, Excess of Debt incurred - - - - -	33,24,591	
Deduct Supplies, &c. rendered from the Surplus Revenue - - - - -	87,32,625	
BALANCE remaining on 30th April 1817 - - - - -	S.Rs.	99,76,725
		3,58,83,074

BY BALANCE remaining on the 30th April 1817 - - - - -		S. Rs.		3,58,83,074
1817-1818:				
Amount of Territorial Revenues realized in this year, according to Annual Budget Account No. 1, presented to Parliament, Ct. Rs. 11,62,15,136, or - - - - -		S. Rs.		10,01,85,462
Further Amount of Revenues not included in Account No. 1, - - - - -				12,76,194
TOTAL REVENUES - - -				10,14,61,656
Amount of Territorial Charges incurred in this year, per Budget Account No. 1, Ct. Rs. 8,48,39,239, or - - - - -		S. Rs.		7,31,37,275
Further Charges omitted in No. 1. - - - - -				16,05,657
Interest on Debts not included in No. 1, but inserted in No. 8. - - - - -				1,38,93,467
TOTAL CHARGES - - -				8,86,36,399
Surplus - - -				1,28,25,257
SUPPLIES:				
From London, including transactions on account of His Majesty's Government - 41,07,133	S. Rs.	To London, including transactions on account of His Majesty's Government - 38,19,477	S. Rs.	
Deduct Sale of Stores, credited as Extraordinary Revenue 1,99,719		Add, Adjustment on account of a supply to Port Jackson - 407		
	39,07,414		38,19,884	
From Madras - 40,13,614		To Madras - - - - -	1,32,27,575	
Add, Consignment from Commerce 2,07,393		To Bombay - - - - -	1,09,64,652	
	42,21,007	To Subordinate Settlements - - 21,22,120		
From Bombay - - - - -	13,82,560	Deduct adjustment on account London - - - 407		
From Subordinate Settlements	3,38,945		21,21,713	
From Commercial Department	47,34,163	To Commercial Department, including Canton 1,31,12,162		
	1,45,84,089	Add, Consignment to Madras - - 2,07,393		
Excess of Supplies rendered -	2,88,69,290		1,33,19,555	
	S. Rs. 4,34,53,379		S. Rs. 4,34,53,379	
DEBT TRANSACTIONS:				
Debt incurred in the several Departments - - - - -	S. Rs. 2,36,87,124	Debt paid off in the several Departments - - - - -	S. Rs. 2,02,68,768	
		Excess of Debt incurred - - - - -	34,18,356	
	S. Rs. 2,36,87,124		S. Rs. 2,36,87,124	
Excess of Supplies rendered, as shown above - - - - -		2,88,69,290		
Deduct, Excess of Debt incurred - - - - -		34,18,356		
Supplies, &c., rendered in excess of the Surplus Revenue - - -		2,54,50,934		
BALANCE remaining on the 30th April 1818 - - -		S. Rs.		2,32,57,397

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APPENDIX TO REPORT

					S.Rs.	S.Rs.
BY BALANCE remaining on 30th April 1818						2,32,57,397
1818-19:						
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct.Rs. 12,37,03,696, or					10,66,41,117	
Further amount of Revenues not included in Account, No. 1					2,50,912	
TOTAL REVENUES					10,68,92,029	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 1, Ct.Rs. 9,08,73,767, or					S.Rs. 7,83,39,454	
Further Charges, omitted in No. 1.					5,01,408	
Interest on Debts, not included in No. 1, but inserted in No. 8.					1,32,02,369	
TOTAL CHARGES					9,20,43,231	
Surplus					1,48,48,798	
SUPPLIES:						
From London, including transactions on account His Majesty's Government	S.Rs. 35,77,109	S.Rs.	To London, including transactions on account His Majesty's Government	S.Rs.	57,67,300	
Deduct, Sale of Stores, credited as Extraordinary Revenue	72,986		To Madras	1,18,11,699		
		35,04,123	To Bombay	1,15,44,650		
From Madras	41,65,788		To Subordinate Settlements	19,41,008		
Add, Consignment from Commerce	20,343		To Commercial Department, including Canton	S.Rs. 1,00,38,532		
		41,86,131	Add, Consignment to Madras	20,343		
From Bombay		14,61,385		1,00,58,875		
From Subordinate Settlements		2,89,036				
From Commercial Department, including Canton		1,02,00,659				
		1,96,41,334				
Excess of Supplies rendered		2,14,82,198				
	S.Rs.	4,11,23,532		S.Rs.	4,11,23,532	
DEBT TRANSACTIONS:						
Debt incurred in the several Departments	S.Rs. 4,00,39,543		Debt paid off in the several Departments	S.Rs. 2,52,14,732		
			Excess of Debt incurred	1,48,24,811		
	S.Rs.	4,00,39,543		S.Rs.	4,00,39,543	
Excess of Supplies rendered, as shown above					2,14,82,198	
Deduct, Excess of Debt incurred					1,48,24,811	
Deduct, Excess of Supplies, &c. rendered from the Surplus Revenue					66,57,387	
BALANCE remaining on the 30th April 1819					S.Rs.	81,91,411
						3,14,48,808

BY BALANCE remaining on 30th April 1819 - - - - -		S.Rs.	S.Rs.
			3,14,48,808
1819-20 :			
Amount of Territorial Revenue realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct.Rs. 12,18,75,701, or - - - - -		10,50,65,260	
Further amount of Revenues not included in Account, No. 1. - - - - -		3,15,949	
TOTAL REVENUES - - -		10,53,81,209	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 1, Ct.Rs. 8,95,01,601, or - - - - -		S.Rs. 7,71,56,553	
Further Charges, omitted in No. 1. - - - - -		5,84,570	
Interest on Debt, not included in No. 1, but inserted in No. 8. - - - - -		1,55,92,791	
TOTAL CHARGES - - -		9,33,33,914	
Surplus - - -		1,20,47,295	
SUPPLIES :			
From London, including transactions on account His Majesty's Government	S.Rs. 45,75,599	S.Rs.	To London, including transactions on account His Majesty's Government - - - 39,94,389
Deduct, Sale of Stores, credited as Extraordinary Revenue - - -	1,82,322		To Madras - - - 1,28,49,135
		43,93,277	To Bombay - - - 1,02,68,418
From Madras - - -		67,04,686	To Subordinates - - - 18,49,753
From Bombay - - -		12,93,604	To Commercial Department, including Canton - - - 1,68,80,214
From Subordinate Settlements - - -		3,88,886	
From Commercial Department - - -		34,68,861	
		1,62,49,314	
Excess of Supplies rendered - - -		2,95,92,595	
	S.Rs. 4,58,41,909		S.Rs. 4,58,41,909
DEBT TRANSACTIONS :			
Debt incurred in the several Departments - - -	S.Rs. 6,02,48,075	Debt paid off in the several Departments - - -	S.Rs. 3,11,95,135
		Excess of Debt incurred - - -	2,90,52,940
	S.Rs. 6,02,48,075		S.Rs. 6,02,48,075
Excess of Supplies rendered, as shown above - - -		2,95,92,595	
Deduct, Excess of Debt incurred - - -		2,90,52,940	
Deduct, Excess of Supplies, &c. rendered from the Surplus Revenue - - -		5,39,655	
			1,15,07,640
BALANCE remaining on the 30th April 1820 - - -		S.Rs.	4,29,56,448

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APPENDIX TO THE

BY BALANCE remaining on 30th April 1820		S.Rs.	S.Rs.	
			4,29,56,448	
1820-21 :				
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct.Rs. 13,48,72,180, or		11,62,69,121		
Further amount of Revenues, not included in Account, No. 1		2,73,706		
TOTAL REVENUES		11,65,42,827		
Amount of Territorial Charges incurred in this year, according to Budget Account, No. 1, Ct.Rs. 8,75,07,569, or		S.Rs. 7,54,37,560		
Further Charges, omitted in No. 1		15,45,584		
Interest on Debt, not included in No. 1, but inserted in No. 8		1,51,58,566		
TOTAL CHARGES		9,21,41,710		
Surplus		2,44,01,117		
SUPPLIES :				
From London, including transactions on account His Majesty's Government	S.Rs. 1,18,85,290	S.Rs.	To London, including transactions on account His Majesty's Government	S.Rs. 28,89,766
Deduct, Sale of Stores credited as Extraordinary Revenue	S.Rs. 1,96,152		To Madras	38,28,991
Also, Bullion transferred to Debt Account	15,92,457		To Bombay	35,26,918
	17,88,609	1,00,96,681	To Subordinates	17,48,960
From Madras		56,17,542	To Commerce, including Canton	1,62,05,586
From Bombay		13,75,214		
From Subordinates		4,43,494		
From Commerce		30,62,082		
		2,05,95,013		
Excess of Supplies rendered		76,05,208		
	S.Rs. 2,82,00,221	S.Rs. 2,82,00,221		
DEBT TRANSACTIONS :				
Debt incurred in the several Departments	S.Rs. 2,49,15,290	Debt paid off in the several Departments	S.Rs. 2,80,71,570	
Add, adjustment with London for Bullion, transferred to this Head	15,92,457			
	2,65,07,747			
Excess of Debt paid off	15,63,823			
	S.Rs. 2,80,71,570	S.Rs. 2,80,71,570		
Excess of Supplies rendered, as shown above		76,05,208		
Add, Excess of Debt paid off		15,63,823		
Deduct, Excess of Supplies, &c. rendered from the Surplus Revenue		91,69,031		
BALANCE remaining on the 30th April 1821		S.Rs.	1,52,32,086	
			5,81,88,534	

BY BALANCE remaining on 30th April 1821 - - - - -

S.Rs.

S.Rs.

5,81,88,534

1821-22 :

Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct.Rs. 13,34,05,024 - - - - -

11,50,04,331

Further amount of Revenues, not included in Account No. 1 - - - - -

1,78,958

TOTAL REVENUES - - -

11,51,83,289

Amount of Territorial Charges incurred in this year, per Budget Account, No. 1, Ct.Rs. 8,54,01,821 - - - - -

S.Rs.

7,36,22,259

Further Charges, omitted in No. 1 - - - - -

1,700

Interest on Debts, not included in No. 1, but inserted in No. 8 - - - - -

1,56,55,431

TOTAL CHARGES - - -

8,92,79,390

Surplus - - -

2,59,03,899

SUPPLIES :

From London, including transactions on account His Majesty's Government -	S.Rs.	S.Rs.	To London, including transactions on account His Majesty's Government -	S.Rs.	S.Rs.
- 1,31,34,205			- 1,96,90,528		
Deduct, Sale of Stores credited as Extraordinary Revenue -	1,20,937	1,30,13,268	Deduct, Expense of Detachment serving in Persia, included in Bombay Charges -	11,765	1,96,78,763
From Madras -	-	3,92,96,552	To Madras -	-	3,85,94,910
From Bombay -	1,61,75,593		To Bombay -	-	2,08,40,183
Deduct, Charges of Detachment serving in Persia, included in Bombay Charges -	11,765	1,61,63,828	To Subordinates -	-	20,76,100
From Subordinates -	-	4,13,661	To Commerce, including Canton -	-	1,67,34,777
From Commerce -	-	39,01,938			
		7,27,89,247			
Excess of Supplies rendered -		2,51,35,486			
	S.Rs.	9,79,24,733		S.Rs.	9,79,24,733

DEBT TRANSACTIONS :

Debt incurred in the several Departments -	S.Rs.	Debt paid off in the several Departments -	S.Rs.
- 20,90,46,703		- 20,75,13,069	
		Excess of Debt incurred -	15,33,634
	S.Rs.		S.Rs.
	20,90,46,703		20,90,46,703

Excess of Supplies rendered, as shown above - - - - -

2,51,35,486

Deduct, Excess of Debt incurred - - - - -

15,33,634

Deduct, Excess of Supplies, &c. rendered from the Surplus Revenue - - -

2,36,01,852

23,02,047

BALANCE remaining on the 30th April 1822 - - -

S.Rs.

6,04,90,581

		S.Rs.	S.Rs.
BY BALANCE remaining on 30th April 1822 - - - - -		-	6,04,90,581
1822-23:			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct.Rs. 14,16,32,775, or - - - - -		12,20,97,220	
Further amount of Revenues, being for the sale of Stores, &c. not included in Account, No. 1		55,297	
TOTAL REVENUES - - -		12,21,52,517	
Amount of Territorial Charges incurred in this year, per Budget Account, No 1, Ct.Rs. 8,74,60,421, or - - - - -		7,53,96,915	
Further Charges, omitted in No. 1 - - - - -		4,62,272	
Interest on Debt, not included in No. 1, but inserted in No. 8 - - - - -		1,30,82,167	
TOTAL CHARGES - - -		8,89,41,354	
Surplus - - -		3,32,11,163	
SUPPLIES:			
From London, including transactions on account of His Majesty's Government - -	S.Rs. 2,78,73,945	To London, including transactions on account of His Majesty's Government 1,46,61,201	S.Rs.
Deduct, Value of Political Stores, included in Home Charges - - 13,11,051		Deduct, Expense of Detachment employed in Persia, now included in Bombay Charges 4,960	
Also, for sale of Stores credited as Extraordinary Revenue - - 55,297			1,46,56,241
	13,66,348		
	2,65,07,597		
From Madras - - - - -	1,49,15,433	To Madras - - - - -	1,89,93,661
From Bombay - - 14,74,047		To Bombay - - - - -	1,52,01,220
Deduct, Expense of Detachment in Persia - - 4,960			
	14,69,087		
From Subordinates - - - - -	4,41,535	To Subordinates - - - - -	27,31,262
From Commerce - - - - -	32,36,786	To Commerce, including Canton	1,82,81,668
	4,65,70,438		
Excess of Supplies rendered -	2,32,93,614		
	S.Rs. 6,98,64,052		S.Rs. 6,98,64,052
DEBT TRANSACTIONS:			
Debt incurred in the several Departments - - - - -	S.Rs. 7,31,01,488	Debt paid off in the several Departments - - - - -	S.Rs. 8,06,45,204
Excess of Debt paid off - - - - -	75,43,716		
	S.Rs. 8,06,45,204		S.Rs. 8,06,45,204
Excess of Supplies rendered, as shown above			
Add, Excess of Debt paid off - - - - -			2,32,93,614
Deduct, Supplies, &c. rendered from the Surplus Revenue - - -			75,43,716
			3,08,37,330
			23,73,833
BALANCE remaining on the 30th April 1823 - - - - -		S.Rs.	6,28,64,414

BY BALANCE remaining on 30th April 1823 - - - - -		S.Rs.	S.Rs.
		- - -	6,28,64,414
1823-24:			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct.Rs. 12,95,03,084, or - - - - -		11,16,40,590	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 1, Ct.Rs. 9,44,55,385, or - - - - -		S.Rs. 8,14,27,056	
Further Charges, omitted in No. 1 - - - - -		11,046	
Interest on Debts not included in No. 1, but inserted in No. 8 - - - - -		1,26,36,985	
TOTAL CHARGES - - -		9,40,75,087	
Surplus - - -		1,75,65,503	
SUPPLIES:			
From London, including transactions on account of His Majesty's Government - -	S.Rs. 80,36,191	To London, including transactions on account of His Majesty's Government - -	S.Rs. 71,19,067
Deduct, Political Stores, included in Home Charges -	16,26,642		
	64,09,549		
From Madras - - 49,92,817		To Madras - - 59,51,462	
Add, Consignment from Commercial Department - 45,768		Add, Consignment to Commerce - 11,266	
	50,38,585		59,62,728
From Bombay - - 56,79,610		To Bombay - - - - -	62,98,518
Add, Consignment from Commercial Department - 31,386			
	57,10,996		
From Subordinates - - -	4,77,224	To Subordinates - - -	19,66,787
From Commerce - 29,31,884		To Commerce, including Canton - 1,97,20,995	
Add, Consignment from Madras - 11,266		Add, Consignment to Madras - 45,768	
	29,43,150	Ditto - to Bombay 31,386	
	2,05,79,504		1,97,98,149
Excess of Supplies rendered -	2,05,65,745		
	S.Rs. 4,11,45,249		S.Rs. 4,11,45,249
DEBT TRANSACTIONS:			
Debt incurred in the several Departments - - -	S.Rs. 14,42,15,447	Debt paid off in the several Departments - - -	S.Rs. 16,89,45,989
Excess of Debt paid off - -	2,47,30,542		
	S.Rs. 16,89,45,989		S.Rs. 16,89,45,989
Excess of Supplies rendered, as shown above - - -		2,05,65,745	
Add, Excess of Debt paid off - - -		2,47,30,542	
		4,52,96,287	
Supplies, &c. rendered in Excess of the Surplus Revenue - - -			2,77,30,784
BALANCE remaining on the 30th April 1824 - - -		S.Rs.	3,51,33,630

(continued)

BY BALANCE remaining on 30th April 1824 - - - - -		S.Rs.	S.Rs.
		- - - - -	3,51,33,630
1824-25 :			
Annual Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct. Rs. 13,47,91,925, or - - - - -		11,61,99,935	
Further Amount of Revenues, including sale of Europe Stores, omitted in Account No. 1 - - - - -		47,826	
TOTAL REVENUES - - - - -		11,62,47,761	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 1, Ct. Rs. 11,39,44,963, or - - - - -		S.Rs. 9,82,28,416	
Interest on Debts not included in No. 1, but inserted in No. 8 - - - - -		1,05,66,230	
TOTAL CHARGES - - - - -		10,87,94,646	
Surplus - - - - -		74,53,115	
SUPPLIES :			
From London, including transactions on account of His Majesty's Government - - -	S.Rs. 1,29,17,020	To London, including transactions on account of His Majesty's Government 24,13,422	S.Rs.
Deduct, Political Stores included in Home Charges - - -	20,41,473	Deduct, Expense of Persian Detachment, included in Bombay Charges - - -	51,795
From Madras - - -	S.Rs. 52,64,308		23,61,627
Add, Consignment from Commercial Department - - -	8,747	To Madras - - -	91,53,188
	52,73,055	Add, Consignment to Commerce - - -	41,724
From Bombay - - -	42,89,824		91,94,912
Deduct, Expense of Detachment in Persia - - -	51,795	To Bombay - - -	88,77,583
	42,38,029	To Subordinates - - -	28,12,142
From Subordinates - - -	6,19,443	To Commerce, including Canton 2,15,57,094	
From Commerce - - -	21,82,765	Add, Consignment to Madras - - -	8,747
Add, Consignment from Madras - - -	41,724		2,15,65,841
	22,24,489		S.Rs. 4,48,12,105
	2,32,30,563		
Excess of Supplies rendered - - -	2,15,81,542		
	S.Rs. 4,48,12,105		
DEBT TRANSACTIONS :			
Debt incurred in the several Departments - - -	S.Rs. 4,49,19,920	Debt paid off in the several Departments - - -	S.Rs. 4,33,44,169
		Excess of Debt incurred - - -	15,75,751
	S.Rs. 4,49,19,920		S.Rs. 4,49,19,920
Excess of Supplies rendered, as shown above - - - - -		2,15,81,542	
Deduct, Excess of Debt incurred - - - - -		15,75,751	
		2,00,05,791	
Supplies, &c. rendered in Excess of the Surplus Revenue - - - - -			1,25,52,676
BALANCE remaining on 30th April 1825 - - - - -		S.Rs.	2,25,80,954

BY BALANCE remaining on 30th April 1825 - - - - -		S.Rs.	S.Rs.
		- - -	2,25,80,954
1825-26 :			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct. Rs. 13,11,96,581, or - - - - -		11,31,00,501	
Further amount of Revenues, including sale of Stores, not included in Account No. 1 - - -		13,998	
TOTAL REVENUES - - -		11,31,14,499	
Amount of Territorial Charges incurred in this year, per Budget Account No. 1, Ct. Rs. 12,63,45,165, or - - - - -		S.Rs.	
		- 10,89,18,246	
Interest on Debts, not included in No. 1, but inserted in No. 8 - - -		1,15,42,954	
TOTAL CHARGES - - -		12,04,61,200	
Deficit - - -		73,46,701	
SUPPLIES :			
From London, including transactions on account of His Majesty's Government - - -	S.Rs.	To London, including transactions on account of His Majesty's Government - - -	S.Rs.
	85,79,223		8,98,429
Deduct, the value of Political Stores, included in Home Charges - - -	32,77,708	Deduct, Expense of Persian Detachment, included in Bombay Charges - - -	13,490
	S.Rs.		8,84,939
From Madras - - 1,10,76,369	53,01,515		
Add, Consignment from Commerce - 2,534			
	1,10,78,103	To Madras - - 1,45,60,585	
From Bombay - 19,34,207		Add, Consignment to Commerce - - 18,117	
Deduct, Expense of Persian Detachment - - 13,490			1,45,78,702
	19,20,717		
From Subordinates - - -	7,99,485	To Bombay - - - - -	1,31,69,358
From Commerce - 6,36,450		To Subordinates - - - - -	14,47,444
Add, Consignment from Madras - 18,117		To Commerce - 1,84,57,053	
	6,54,567	Add, Consignment to Madras - - 2,534	
	1,97,55,187		1,84,59,587
Excess of Supplies rendered - - -	2,87,84,843		
	S.Rs.		S.Rs.
	4,85,40,030		4,85,40,030
DEBT TRANSACTIONS :			
Debt incurred in the several Departments - - -	S.Rs.	Debt paid off in the several Departments - - -	S.Rs.
	9,72,91,311		5,46,41,758
		Excess of Debt incurred - - -	4,26,49,553
	S.Rs.		S.Rs.
	9,72,91,311		9,72,91,311
Excess of Debt incurred - - - - -		- 4,26,49,553	
Deduct, Excess of Supplies, &c. rendered, as shown above - - -		2,87,84,843	
Means to meet the Deficit - - - - -		- - -	1,38,64,710
Means in Excess of Deficit - - - - -		- - -	65,18,009
BALANCE remaining on 30th April 1826 - - -		S.Rs.	2,90,98,963

BY BALANCE remaining on 30th April 1826 - - - - -		S.Rs.	S.Rs.
			2,90,98,963
1826-27:			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct.Rs. 14,75,70,888, or - - - - -		12,72,16,283	
Further amount of Revenues, including sale of Stores, omitted in Account, No. 1 - - - - -		87,495	
TOTAL REVENUES - - - - -		12,73,03,778	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 1, Ct.Rs. 11,89,15,357, or - - - - -		10,25,13,239	
Interest on Debts, not included in No. 1, but inserted in No. 8 - - - - -		1,30,48,410	
TOTAL CHARGES - - - - -		11,55,61,649	
Surplus - - - - -		1,17,42,129	
SUPPLIES:			
From London, including transactions on account of His Majesty's Government - - - - -	S.Rs. 1,23,37,848	To London, including transactions on account of His Majesty's Government - - - - -	S.Rs. 22,95,113
Deduct, the value of Political Stores, included in Home Charges - - - - -	65,31,598	Deduct, expense of Detachment in Persia, included in Bombay Charges - - - - -	37,401
	58,06,250		22,57,712
From Madras - - - - -	40,97,013	To Madras - - - - -	1,08,22,494
From Bombay - 25,66,744		To Bombay - - - - -	1,09,98,605
Deduct, expense of Detachment in Persia - - - 37,401	25,29,343	To Subordinates - - - - -	15,15,802
From Subordinates - - - - -	5,56,118	To Commerce - - - - -	2,02,04,759
From Commerce - - - - -	10,90,179		
	1,40,78,903		
Excess of Supplies rendered - - - - -	3,17,20,469		
S.Rs.	4,57,99,372	S.Rs.	4,57,99,372
DEBT TRANSACTIONS:			
Debt incurred in the several Departments - - - - -	S.Rs. 5,15,30,073	Debt paid off in the several Departments - - - - -	S.Rs. 3,70,03,733
		Excess of Debt incurred - - - - -	1,45,26,340
S.Rs.	5,15,30,073	S.Rs.	5,15,30,073
Excess of Supplies rendered, as shown above - - - - -		3,17,20,469	
Deduct, Excess of Debt incurred - - - - -		1,45,26,340	
		1,71,94,129	
Supplies, &c. rendered in Excess of the Surplus Revenue - - - - -			54,52,000
BALANCE remaining on the 30th April 1827 - - - - -		S.Rs.	2,36,46,963

BY BALANCE remaining on 30th April 1827 - - - - -		S. Rs.	S. Rs.
			2,36,46,963
1827-28:			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct. Rs. 14,92,19,826, or - - - - -		12,86,37,781	
Further amount of Revenues, including sale of Stores, not included in Account, No. 1 - - -		1,95,950	
TOTAL REVENUES - - -		12,88,33,731	
Amount of Territorial Charges incurred in this year, including S. Rs. 51,80,218 repaid on account "Deccan Booty," per Budget Account, No. 1, S. Rs. Ct. Rs. 11,77,46,257, or - - - - -		10,15,05,394	
Interest on Debt, not included in No. 1, but inserted in No. 8 - - -		1,47,60,805	
TOTAL CHARGES - - -		11,62,66,199	
Surplus - - -		1,25,67,532	
SUPPLIES:			
From London, including transactions on account His Majesty's Government - - -	S. Rs. 1,07,64,142	To London, including transactions on account His Majesty's Government - - -	S. Rs. 47,95,473
Deduct, value of Political Stores, included in Home Charges -	47,27,215	Deduct, expense of Persian Detachment, included in Bombay Charges - -	15,345
	60,36,927		47,80,128
From Madras - - -	40,95,173	To Madras S. Rs. 94,36,974	
From Bombay S. Rs. 22,08,258		Ditto, on account Deccan Prize 5,45,835	99,82,809
Deduct, expense of Detachment in Persia - - - 15,345		To Bombay - 1,66,61,969	
	21,92,913	Ditto, on account Deccan Prize Fund - - - 6,39,252	1,73,01,221
From Subordinates - - -	54,298		12,44,122
From Commerce - - -	6,48,258		2,29,76,805
	1,30,27,569	To Subordinates - - -	
Excess of Supplies rendered -	4,32,57,516	To Commerce - - -	
S. Rs. 5,62,85,085		S. Rs. 5,62,85,085	
DEBT TRANSACTIONS:			
Debt incurred in the several Departments - - -	S. Rs. 7,18,14,370	Debt paid off in the several Departments - - -	S. Rs. 3,47,57,035
Ditto, to meet the payment on account Deccan Prize, in this year, beyond the amount stated in the Bengal Accounts	26,75,938	Ditto, on account Deccan Prize - - -	1,67,123
			3,49,24,158
		Excess of Debt incurred -	3,95,66,150
S. Rs. 7,44,90,308		S. Rs. 7,44,90,308	
Excess of Supplies rendered, as shown above - - -		4,32,57,516	
Deduct, Excess of Debt incurred - - -		3,95,66,150	
Deduct, Excess of Supplies, &c. rendered from the Surplus Revenue - -		36,91,366	
BALANCE remaining on the 30th April 1828 - - -		S. Rs. 3,25,23,129	

BALANCE remaining on 30th April 1828 - - - - -		S.Rs.	S.Rs.
		- - - - -	3,25,23,129
1828-29 :			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 1, presented to Parliament, Ct.Rs. 14,78,48,696, or - - - - -		12,74,55,772	
Further amount of Revenues, not included in Account No. 1 - - - - -		44,045	
TOTAL REVENUES - - -		12,74,99,817	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 1, Ct.Rs. 10,14,96,173, or - - - - - S.Rs. 8,74,96,701			
Interest on Debts, not included in No. 1, but inserted in No. 8 - - - - - 1,62,98,319			
TOTAL CHARGES - - -		10,37,95,020	
Surplus Revenue - - -		2,37,04,797	
SUPPLIES :			
From London, including transactions on account His Majesty's Government - - -	S.Rs. 1,06,52,217	To London, including transactions on account His Majesty's Government -	S.Rs. 29,11,671
Deduct, value of Political Stores, included in Home Charges -	34,43,073	Deduct, Sum improperly charged for Deccan Prize -	S.Rs. 20,50,328
	72,09,144	Also, expense of Detachment in Persia, included in Bombay Charges -	19,548
From Madras - - -	42,28,254		20,69,876
- Bombay 23,76,530		To Madras - - -	78,77,332
Deduct, expense of Detachment in Persia - 19,548		Deduct, value of Europe Stores improperly charged -	12,27,537
	23,56,982		66,49,795
From Subordinates -	2,86,251	To Bombay - - -	1,08,96,102
From Commerce -	8,71,218	Deduct, value of Europe Stores improperly charged -	7,09,305
	1,49,51,849	Steamer Enterprize returned to Calcutta - - -	3,44,828
			10,54,133
Excess of Supplies rendered - -	2,71,98,815	To Subordinates - - -	98,41,969
		To Commerce - - -	15,57,802
S.Rs. 4,21,50,664			2,32,59,303
		S.Rs. 4,21,50,664	
DEBT TRANSACTIONS :			
Debt incurred in the several Departments - - -	S.Rs. 4,57,53,854	Debt paid off in the several Departments - - -	S.Rs. 4,76,59,759
Excess of Debt paid off - - -	19,05,905		
	S.Rs. 4,76,59,759		S.Rs. 4,76,59,759
Excess of Supplies rendered, as shown above - - - - -		2,71,98,815	
Add, Excess of Debt discharged - - - - -		19,05,905	
		2,91,04,720	
Supplies, &c. rendered in Excess of the Surplus Revenue - - - - -			53,99,923
BALANCE remaining on the 30th April 1829 - - -		S.Rs.	2,71,23,206

— No. 7. (B.) —

A SUMMARY VIEW of the CASH TRANSACTIONS of the Government of
Madras; from 1814-15 to 1828-29, inclusive.

— No. 7. (B.) —

A SUMMARY VIEW of the CASH TRANSACTIONS of the

	1814-15.	1815-16.	1816-17.	1817-18.	1818-19.	1819-20.
	£.	£.	£.	£.	£.	£.
BALANCE at the commencement of each Official Year - - - - -	2,689,042	3,011,977	2,832,690	2,962,166	3,229,069	3,368,469
Add, the amount of Revenues realized in each year, per Budget Account, No. 3 - - -	5,322,164	5,106,107	5,360,220	5,381,307	5,361,432	5,407,004
Extraordinary Receipts in excess of Extraordinary Charges, which were omitted in the Budget Account, No. 3 - - - - -	40,695	132,663	160,044	37,870	71,502	10,989
Supplies from London, exclusive of Political Stores, included in Home Charges, in excess of Supplies thereto - - - - -	140,822	108,188	320,252	362,114	264,380	370,088
Supplies from Bengal and Bombay, in excess of Supplies thereto - - - - -	265,021	37,534	27,004	520,154	447,725	439,691
Supplies from Subordinate Settlements (including St. Helena) in excess of Supplies thereto -	-	-	437	-	81,297	-
Debt incurred in excess of Debt discharged -	81,169	119,167	19,310	167,808	97,742	234,461
Balance of unadjusted transactions between the several Departments, stated in detail in the Madras Accounts - - - - -	-	102,134	6,609	-	311,846	-
TOTAL RECEIPTS in each Year, combined with the Balance at the commencement of each Year - - - } £.	8,538,913	8,617,770	8,726,566	9,431,419	9,864,993	9,830,702
Deduct,						
Amount of the Territorial Charges incurred in each year, per Budget Account, No. 3, which excluded the value of Political Stores, charged in the Home Account - - - - -	5,134,246	5,289,476	5,201,399	5,475,254	5,979,045	5,694,844
Extraordinary Charges in excess of Extraordinary Receipts, omitted in the Budget Account, No. 3 - - - - -	-	-	-	-	-	-
Interest on Debt (not included in No. 3, but stated in the Combined View of the Revenues and Charges of India, in Budget Account, No. 8), adjusting, where required, the Sums due to the Carnatic Fund - - - - -	95,862	104,591	101,198	98,432	98,877	141,558
Supplies to London, in excess of Supplies therefrom - - - - -	-	-	-	-	-	-
Supplies to Bengal and Bombay in excess of Supplies therefrom - - - - -	-	-	-	-	-	-
Supplies to subordinate Settlements (including St. Helena) in excess of Supplies therefrom -	453	902	-	2,433	-	8,115
Supplies to Commercial Department (including Canton) in excess of Supplies therefrom -	227,627	390,111	461,803	459,068	418,602	238,815
Debt paid off in excess of Debt incurred - -	-	-	-	-	-	-
Balance of unadjusted transactions between the several Departments, stated in detail in the Madras Accounts - - - - -	68,748	-	-	167,163	-	239,745
TOTAL PAYMENTS - - - £.	5,526,936	5,785,080	5,764,400	6,202,350	6,496,524	6,323,077
BALANCE remaining at the close of each Official Year - - - } £.	3,011,977	2,832,690	2,962,166	3,229,069	3,368,469	3,507,625

East India House, }
2 April 1832. }

- - - - - No. 7. (B.) -

Government of *Madras*; from 1814-15 to 1828-29, inclusive.

1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	GRAND TOTAL.
£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
3,507,625	3,081,657	3,159,885	3,993,095	2,815,206	3,363,476	3,046,700	2,580,550	2,360,577	Balance, 1 May 1814. 2,689,042
5,403,506	5,557,029	5,585,210	5,498,765	5,440,743	5,714,915	5,981,681	5,347,838	5,575,049	
-	9,513	10,785	-	162,459	-	11,810	-	-	648,330
474,771	430,797	301,471	-	242,601	252,453	323,188	24,518	371,682	3,987,325
-	-	-	305,838	274,348	-	-	813,374	-	3,130,689
-	-	-	-	50	-	-	26,210	-	107,994
40,449	204,239	493,033	55,101	493,042	-	-	112,444	100,509	2,218,474
59,122	-	-	-	104,716	13,508	-	11,054	-	608,989
9,485,473	9,283,235	9,550,384	9,852,799	9,533,165	9,344,352	9,363,379	8,915,988	8,407,817	95,433,813
5,572,489	5,405,592	5,072,992	6,228,823	5,737,035	5,704,829	5,432,562	6,007,597	5,502,224	83,438,407
3,750	-	-	258	-	139,501	-	4,683	9,330	157,522
124,227	104,797	166,996	169,775	214,758	212,637	213,571	175,847	158,629	2,181,755
-	-	-	331,950	-	-	-	-	-	331,950
373,100	273,419	66,496	-	-	33,742	148,517	-	37,986	933,260
2,245	1,855	229	188	-	7,998	65,199	-	5,394	95,012
328,004	226,647	165,783	146,931	217,896	107,525	225,244	367,284	262,492	4,243,832
-	-	-	-	-	91,420	653,109	-	-	744,529
-	111,040	84,793	159,668	-	-	44,627	-	23,171	898,955
6,403,816	6,123,350	5,557,289	7,037,593	6,169,689	6,297,652	6,782,829	6,555,411	5,999,226	93,025,222
3,081,657	3,159,885	3,993,095	2,815,206	3,363,476	3,046,700	2,580,550	2,360,577	2,408,591	2,408,591

(Errors excepted.)

(signed) *James C. Melvill,*
Aud^r Indⁿ Acc^{ts}.

No. 7. (B.)—continued.

A SUMMARY of the CASH TRANSACTIONS of *Madras* and its Subordinates, from the Year 1814-15 to 1828-29; including Supplies made to, and received from, other Presidencies, &c.

BY CASH BALANCES remaining in the Treasuries of the several Territorial Departments, on the 30th April 1814		Pagodas.	Pagodas.
		-	67,22,605
1814-15:			
Amount of Territorial Revenues realized this year, according to Budget Account, No. 3, annually presented to Parliament		1,33,05,409	
Amount of Territorial Charges incurred in this year, according to Budget Account, No. 3, annually presented to Parliament		Ps. 1,28,35,614	
Deduct, Amount over-stated in Budget View, arising chiefly from the value of Europe Stores now included therein		1,01,739	
		1,27,33,875	
Interest on Debt		Ps. 2,48,587	
Less, Amount overcharged on account Carnatic Fund		8,932	
		2,39,655	
TOTAL CHARGES		1,29,73,530	
SUPPLIES:		Surplus	3,31,879
From London, including transactions on account His Majesty's Government	Pagodas. 3,88,098	To London, including transactions on account His Majesty's Government	Pagodas. 4,81,315
Ditto, on Carnatic Fund	4,51,764	Add, amount of Adjustment, transferred from Bengal	6,492
	8,39,862		4,87,807
From Bengal	24,82,623	To Bengal	9,19,409
From Bombay	1,02,700	Deduct, Adjustment transferred to London	6,492
From Commercial Department	5,56,317	Ditto - Subordinates	1,133
Amount of Commercial Balance, 30 April 1814	1,26,709		7,625
Ditto, 30 April 1815	58,216		9,11,784
Add, the difference between the Balances at the two periods, being the amount disbursed from Commercial Balance	68,493	To Bombay	10,10,986
	6,24,810	To Subordinates	1,133
Deduct, the value of Europe Stores, supplied the Political Department, and included in Home Charges	1,80,327	To Commercial Department	10,13,550
	4,44,483	Excess of Supplies received	34,25,260
Ps. 38,69,668			4,44,408
		Ps. 38,69,668	
DEBT TRANSACTIONS:			
Debt incurred in the several Departments	Pagodas. 8,93,452	Debt paid off in the several Departments	Pagodas. 6,73,610
		Debt incurred on account of Carnatic Fund	4,46,347
		Debt discharged on account ditto in England	4,51,764
		Over-credited for Interest	8,932
		Ditto, Moiety for Register's Salary	2,571
			4,63,267
		Net Amount paid on account Carnatic Fund	16,920
		Excess of Debt incurred	6,90,530
	Ps. 8,93,452		2,02,922
		Ps. 8,93,452	
Excess of Supplies received, as shown above			4,44,408
Ditto of Debt incurred ditto			2,02,922
Deduct, Balance of unadjusted transactions between the several Officers in the different Departments, stated in detail in the Madras Accounts			6,47,330
			1,71,871
			4,75,459
CASH BALANCE remaining on the 30th April 1815		Ps.	75,29,943

BY BALANCE remaining on 30th April 1815 - - - - -		Pagodas.	Pagodas.
		- - - - -	75,29,943
1815-16:			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 3, presented to Parliament - - - - -		1,27,65,268	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 3. Ps. 1,32,23,689			
Deduct, amount over-stated in ditto, by including Europe Stores - - - - -		3,31,656	
		1,28,92,033	
Interest on Debt - - - - - Ps. 2,92,107			
Less, amount over-stated on account Carnatic Fund - - - - - 30,630		2,61,477	
TOTAL CHARGES - - -		1,31,53,510	
Deficit, to be deducted from Cash Balance - - -		- - -	3,88,242
BALANCE remaining - - -		- - -	71,41,701
SUPPLIES:			
From London, including transactions on account His Majesty's Government - - - 2,74,849	Pagodas.	To London, including His Majesty's Government - - -	Pagodas.
Ditto, on account Carnatic Fund - - - 3,27,605		Add, Adjustment on account Bengal - - - - -	2,27,924
			91,232
6,02,454		To Bengal - - - - -	3,19,156
Deduct Adjustment on account Commerce - 12,827		Deduct, Adjustment on account London and Subordinates - - -	11,33,436
From Bengal - - - - -	5,89,627		93,488
From Bombay - - - - -	28,34,411	To Bombay - - - - -	10,39,948
From Commercial Department - - - 6,51,588	1,22,218	To Subordinates - - - - -	18,22,846
Add, Adjustment on account London - - - 12,827		To Commercial Department - - -	2,256
6,64,415		To Commercial Balance	
Deduct, Europe Stores supplied Political Dept 3,49,849		30 April 1815 - 58,217	
	3,14,566	Ditto - 1816 - - 1,85,379	
Excess of Supplies rendered -	38,60,822	Add, Augmentation in Commercial Balance - - - - -	1,27,162
	6,13,229		12,89,845
Ps. 44,74,051			Ps. 44,74,051
DEBT TRANSACTIONS:			
Debt incurred in the several Departments - - - - -	Ps. 8,62,469	Debt paid off in the several Departments - - -	6,37,281
Ditto, on account Carnatic Fund - - - - - Ps. 4,33,536		Excess of Debt incurred - - - - -	2,97,918
Deduct, paid in England - - - 3,27,605			
Over-credited for Interest - - - 30,630			
Moiety of Registrar's Salary - - - 2,571			
3,60,806			
	72,730		
Ps. 9,35,199			Ps. 9,35,199
Excess of Supplies rendered, as shown above - - - - -			6,13,229
Deduct Excess of Debt incurred, ditto - - - - -			2,97,918
Also, Balance of unadjusted transactions of the several Officers in the different Departments, stated in detail in the Madras Accounts - - - - -			2,55,334
			5,53,252
			59,977
CASH BALANCE remaining on the 30th April 1816 - - - - -		Ps.	70,81,724

BY BALANCE remaining on 30th April 1818 - - - - -		Pgs.	80,72,673
Or at 3 ½ Rupees the Pagoda - - - - -		Rs.	2,82,54,355
1818-19:			
Amount of Territorial Revenues realized in this year according to the Annual Budget Account No. 3, presented to Parliament - - - - -		Pgs.	1,34,03,580
		or Rs.	4,69,12,530
Amount of Territorial Charges incurred in this year, per Budget Account No. 3, pagodas, 1,49,47,612, or - - - - -		Rs.	5,23,16,642
Deduct amount overstated in ditto, by including the value of Europe Stores, &c. - - - - -			6,25,644
			5,16,90,998
Interest on Debts - - - - -		Rs.	11,38,525
Less amount overstated, per Carnatic Fund - - - - -			2,73,347
			8,65,178
TOTAL CHARGES - - -			5,25,56,176
Deficit to be Deducted from the Cash Balance - - -			56,43,646
BALANCE remaining - - -			2,26,10,709
SUPPLIES:			
Rupees.		Rupees.	
From London -	12,79,916	To London -	1,22,073
Deduct, Adjust- ment with Com- merce on ac- count, Canton	1,973	Add, Adjustment with Bengal, on account His Majesty's Government -	55,159
Add, on account Carnatic Fund	12,77,943	Deduct, Adjustment on account Subordinates -	1,77,232
Adjustment with Bengal, on ac- count His Ma- jesty's Govern- ment -	11,06,042		29,523
	77,053	From Bengal -	51,63,520
From Bengal -	1,19,63,374	Deduct, Adjustment with London, on account His Ma- jesty's Govern- ment -	55,159
Add, consignment from Commercial Department -	41,611	Ditto, Subordinates -	9,280
	1,20,04,985	Loss by Exchange -	72,943
Deduct, Adjust- ment with Lon- don -	77,053		1,37,382
D ^o subor- dinates	7,50,149	To Bombay -	-
	8,27,202	To Subordinates -	-
From Bombay -	-	To Commercial -	41,28,364
From Subordinates -	-	Add, Consignment to Bengal -	41,611
From Commercial, including Canton	13,19,046	Commercial Balance	41,69,975
Less Europe Stores	6,32,490	30 April 1818 -	6,71,316
	6,86,556	Ditto, 30 April 1819 -	8,50,662
Rs.	1,66,62,811	Add also augmentation in the Commercial Balance -	1,79,346
			43,49,321
		Excess of Supplies received - - -	1,33,83,305
			32,79,506
			1,66,62,811
DEBT TRANSACTIONS:			
Rs.		Rs.	
Debt incurred in the several departments -	42,79,678	Debt paid off in the several Departments -	39,93,747
Ditto, on account Carnatic Fund -	19,57,696	Excess of Debt incurred -	8,55,240
Deduct paid in London	11,06,042		
Over credit- ed for in- terest -	273,347		
Moiety of Registrar's Salary -	8,998		
	13,88,387		
	5,69,309		
Rs.	48,48,987	Rs.	48,48,987
Excess of Supplies received, as shown above - - -			32,79,506
Ditto, of Debt incurred in ditto - - -			8,55,240
Balance of unadjusted transactions of the several Officers in the different Departments stated in detail in the Madras Accounts - - -			27,28,651
			68,63,397
CASH BALANCE remaining on the 30th April 189 - - -		Rs.	2,94,74,106

BY BALANCE remaining on 30th April 1819		Rs.	Rs.	
			2,94,74,106	
1819-20 :				
Amount of Territorial Revenues realized in this year according to Annual Budget Account				
No. 3, presented to Parliament, pagodas 1,35,17,510, or		Rs.	4,73,11,285	
Amount of Territorial Charges incurred in this year, per Budget Account				
No. 3, pagodas 1,42,37,110, or		Rs.	4,98,29,885	
Deduct amount over-stated in ditto			96,151	
			4,97,33,734	
Interest on Debts		Rs. 15,50,726		
Deduct amount over-stated on account Carnatic Fund		3,12,090	12,38,636	
TOTAL CHARGES			5,09,72,370	
Deduct Deficit from the Cash Balance			36,61,085	
BALANCE remaining			2,58,13,021	
SUPPLIES :				
From London	Rs. 25,65,725	Rs.	To London	Rs. 1,48,989
Add, Adjustment with Bengal on account His Majesty's Govt	32,996		Deduct on account of St. Helena	44,207
Also adjustment on account Carnatic Fund	7,44,327	33,43,048		1,04,782
From Bengal	1,41,47,955		To Bengal	73,94,054
Add, Consignment from Commerce	30,744		Deduct on account of St. Helena	27,620
	1,41,78,699			73,66,434
Deduct, Adjustment with London	32,996			
Ditto, Subordinates	820			
	33,816	1,41,44,883	To Bombay	42,44,009
From Bombay		13,12,861	To Subordinates	71,827
From Subordinates		820	To Commercial	36,01,773
From Commercial	10,72,409		Add, Consignment to Bengal, adjusted per contra	30,774
Comm'l Balance on 30 April 1819	8,50,662			36,32,477
D° 30 Ap. 1820	3,80,223			1,54,19,529
Add, Amount disbursed from the Commercial Balances	4,70,439	15,42,848	Excess of Supplies received	49,24,931
		Rs. 2,03,44,460		Rs. 2,03,44,460
DEBT TRANSACTIONS :				
Debt incurred in the several Departments	Rs. 73,74,578		Debt paid off in the several Departments	Rs. 58,31,638
Ditto on account Carnatic Fund	16,14,006		Excess of Debt incurred	20,51,531
Less paid in England	7,44,327			
Over credited for Interest	3,12,090			
Moiety of Register's Salary	8,998	5,48,591		
	10,65,415	Rs. 78,83,169		
Excess of Supplies received, as shown above				49,24,931
Ditto of Debt incurred				20,51,531
				69,76,462
Deduct, Balance of unadjusted transactions of the several Officers in the different Departments, stated in detail in the Madras Accounts				20,97,767
				48,78,695
BALANCE remaining on the 30th April 1820			Rs.	3,06,91,716

(continued)

BY BALANCE remaining on the 30th April 1821 - - - - -		Rs.	Rs.
1821-22 :			2,69,64,496
Amount of Territorial Revenues realized in this year, according to Annual Budget Account No. 3, presented to Parliament, pagodas 1,38,92,573, or - - - - -		Rs.	4,86,24,005
Amount of Territorial Charges incurred in this year, per Budget Account No. 3, pagodas 1,35,13,980, or - - - - -		Rs.	4,72,98,390
Deduct, Amount overstated in ditto by including Europe Stationery - - - - -		83,239	
		4,72,15,691	
Interest on Debts - - - - -		Rs. 13,06,094	
Deduct, Amount over-stated on account Carnatic Fund - - - - -		3,89,119	
		9,16,975	
TOTAL CHARGES - - - - -		4,81,32,666	
SUPPLIES:		Surplus - - - - -	4,91,339
From London - - - - -	Rs. 32,23,372	To London - - - - -	Rs. 1,30,338
Add, Adjustment with Bengal on account His Majesty's Government - - - - -	8,402	Add, Adjustment with Bengal, on account His Majesty's Government - - - - -	2,547
D° Carnatic Fund - - - - -	32,31,774 7,44,831	To Bengal - - - - -	77,50,873
	39,76,605	Deduct, Adjustment on account Subordinates Rs. 17,440	
Deduct, Stationery supplied the several Departments - - - - -	74,245	D° London 2,547	19,987
From Bengal - - - - -	67,58,683		77,30,886
Add, Consignment from Commerce - - - - -	9,779	To Bombay - - - - -	28,25,266
	67,68,402	To Subordinates - - - - -	17,440
Deduct, Adjustment with London 8,402		To Commercial - - - - -	32,07,867
D° - Subordinates - - - - -	1,207	Add, Consignment to Bengal - - - - -	9,779
	9,609		32,17,646
From Bombay - - - - -	-		
From Subordinates - - - - -	-		
From Commercial - - - - -	9,85,515		
Commercial balance on 30 April 1821 - - - - -	7,54,001		
D° 30 April 1822 - - - - -	5,05,034		
Add, amount disbursed from the Commercial Balances - - - - -	2,48,967		
	12,34,482		
Excess of Supplies rendered - - - - -	1,33,01,789 6,22,334		
	Rs. 1,39,24,123	Rs.	1,39,24,123
DEBT TRANSACTIONS :			
Debt incurred in the several Departments D° on acc ^t Carnatic Fund Rs. 19,65,641	Rs. 72,01,276	Debt paid off in the several Departments	62,36,873
Less paid in England 7,44,831		Excess of Debt incurred - - - - -	17,87,096
Moiety of Registrar's Salary - - - - -	8,998		
Over-credited for Interest - - - - -	3,89,119		
	11,42,948		
	8,22,693		
	Rs. 80,23,969	Rs.	80,23,969
Excess of Debt incurred, as shown above - - - - -			17,87,096
Deduct, Excess of Supplies rendered - - - - -			6,22,334
Balance of unadjusted transactions of the several Officers in the different Departments, stated in detail in the Madras Accounts - - - - -			9,71,601
			15,93,935
			1,93,161
BALANCE remaining on the 30th April 1822 - - - - -		Rs.	2,76,48,996

BY BALANCE remaining on 30th April 1822				Rs.	
				2,76,48,996	
1822-23 :					
Amount of Territorial Revenues realized in this year, according to Annual Budget Account No. 3, presented to Parliament				Rs.	
Pgs. 1,39,63,024, or				4,88,70,584	
Amount of Territorial Charges incurred in this year, per Budget Account No. 3				Rs.	
Pgs. 1,26,82,481, or				4,43,88,683	
Deduct, Amount overstated in ditto, by including Europe Stationery-				94,372	
				4,42,94,311	
Interest on Debts				Rs. 18,74,385	
Deduct, Amount overstated on account Carnatic Fund				4,13,173	
				14,61,212	
TOTAL CHARGES				4,57,55,523	
SUPPLIES :				Surplus	
				31,15,061	
From London		Rs. 98,52,178		To London	
Deduct, Adjustment with Bengal, for Bills on the Court, on account Bengal Debt		78,41,957		Rs. 1,43,251	
		20,10,221		Add, Adjustment with Bengal, on account His Majesty's Government	
Add, further adjustment with Bengal on account His Majesty's Government		14,389		178	
Ditto, on account Carnatic Fund		8,40,123		1,43,429	
		28,64,733		To Bengal	
Deduct, Stationery and Mint Stores		83,435		Deduct, Adjustment with London	
		47,30,971		178	
From Bengal		27,81,298		Ditto Subordinates	
Add, Adjustment with London for Bills on the Court		78,41,957		2,487	
Deduct, Adjustment with London		14,389		2,665	
Ditto with Subordinates		483		1,12,30,368	
		14,872		31,59,839	
From Bombay		1,25,58,056		2,487	
From Subordinates		12,50,310		To Bombay	
From Commercial Department		483		To Subordinates	
		8,94,103		To Commercial Department	
Rs.		1,74,84,250		Commercial Balance, 30 April 1822	
				5,05,034	
				Ditto - 1823	
				5,64,485	
				Add, Augmentation in the Commercial Balance	
				59,451	
				23,44,704	
				1,68,80,827	
				6,03,423	
				Rs.	
				1,74,84,250	
DEBT TRANSACTIONS :					
Debt incurred in the several Departments		Rs. 95,65,835		Debt paid off in the several Departments	
Ditto, on account Carnatic Fund		20,94,536		Rs. 60,84,041	
Deduct, paid in England		8,40,123		Excess of Debt incurred	
Over-credited for Interest		4,13,173		43,14,036	
Moiety of Registrar's Salary		8,998			
		12,62,294			
		8,32,242			
Rs.		1,03,98,077		Rs.	
				1,03,98,077	
Excess of Supplies received, as shown above				6,03,423	
Ditto of Debt incurred				43,14,036	
				49,17,459	
Deduct, Balance of unadjusted transactions of the several Officers in the different departments, stated in detail in the Madras Accounts				7,41,936	
				41,75,523	
BALANCE remaining on the 30th April 1823				Rs.	
				3,49,39,580	

BY BALANCE remaining on 30th April 1823 - - - - - Rs.
3,49,39,580

1823-24.

Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 3, presented to Parliament - - - - -	Pgs. 1,37,46,912, or	Rs. 4,81,14,192
Amount of Territorial Charges incurred in this year, per Budget Account, No. 3 - - - - -	Pgs. 1,55,72,058, or	Rs. 5,45,02,203
Add, Charges omitted in ditto, on adjustment - - - - -		2,255
Interest on Debts - - - - -	14,87,141	5,45,04,458
Less, Amount overcharged for Carnatic Fund - - - - -	1,607	14,85,534
TOTAL CHARGES - - - - -		5,59,89,992

Deduct, Deficit from Cash Balance - - - 78,75,800

Balance Remaining - - - 2,70,63,780

SUPPLIES:

From London, including transactions on account His Majesty's Government - - - - -	Rs. 22,56,973	Rs.	To London - - - - -	Rs. 52,16,537	
Ditto, on account Carnatic Fund - - - - -	8,81,371		Add, Adjustment with Bengal - - - - -	150	52,16,687
	31,38,344		To Bengal - - - - -	58,35,611	
Deduct, Political Stores - - - - -	8,26,221	23,12,123	Deduct, Amount included for Expenses of Burmese War in Madras Charges, - - - - -	2,89,182	
From Bengal - - - - -	92,24,768		Adjustment with London - - - - -	150	
Deduct, Gain by Exchange now credited as Revenue - - - - -	1,04,707	91,20,061	D ^o Subordinates - - - - -	1,646	2,90,978
From Bombay - - - - -		15,73,976			55,44,633
Commercial - - - - -		5,08,964	To Bombay - - - - -		24,73,320
		1,35,15,124	To Subordinates - - - - -		1,646
Excess of Supplies rendered - - - - -		15,15,768	To Commercial - - - - -		17,94,606
	Rs. 1,50,30,892			Rs. 1,50,30,892	

DEBT TRANSACTIONS:

Debt incurred in the several Departments - - - - -	Rs. 87,70,054	Debt paid off in the several Departments - - - - -	Rs. 86,99,853
Ditto, on account Carnatic Fund - - - - -	11,56,393	Excess of Debt incurred - - - - -	4,82,138
Add, Petty Claims discharged improperly deducted at Madras - - - - -	1,38,522		
	12,94,915		
Deduct, paid in London - - - - -	8,81,371		
Over-credited for Interest - - - - -	1,607		
	8,82,978		
	4,11,937		
	Rs. 91,81,991		Rs. 91,81,991

Excess of Supplies rendered as above - - - - - 15,15,768
 Balance of unadjusted transactions of the several Departments, stated in detail in the Madras Accounts - - - - - 13,97,094
 Deduct, Excess of Debt incurred - - - - - 4,82,138
24,30,724

BALANCE remaining on the 30th April 1824 - - - Rs. 2,46,33,056

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APPENDIX TO REPORT FROM

BY BALANCE remaining on 30th April 1824		Rs. 2,46,33,056		
1824-25.				
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 3, presented to Parliament		Pgs. 1,36,01,857, or	Rs. 4,76,06,500	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 3		Pgs. 1,43,42,589, or	Rs. 5,01,99,062	
Deduct, Amount included above on account of Burmah War Charges, &c. which are not brought on the Madras Accounts till 1825-6		14,21,518		
		4,87,77,544		
Add, Interest on Debts		18,73,401		
Amount short-stated for interest on Carnatic Fund		5,724		
		18,79,125		
TOTAL CHARGES			5,06,56,669	
Deduct, Deficit from Cash Balance			30,50,169	
SUPPLIES:			2,15,82,887	
From London, including His Majesty's Government	Rs. 19,76,697	Rs.	To London	Rs. 1,45,431
Ditto on Account Carnatic Fund	7,76,212		To Bengal	67,74,383
	27,52,909		To Bombay	56,49,369
Deduct, Political Stores	4,84,718	22,68,191	To Commercial	24,15,480
From Bengal	1,14,01,866			1,49,84,663
Less, a re-credit for Military Charges on Account Burmese War, adjusted in its proper place	2,89,182		Excess of Supplies received	26,17,150
	1,11,12,684			
Deduct, Gain by exchange credited as Revenue	35,084			
Also, Adjustment with Subordinates	439			
	35,523	1,10,77,161		
From Bombay		37,47,134		
From Subordinates		439		
From Commercial		5,08,888		
	Rs. 1,76,01,813		Rs. 1,76,01,813	
DEBT TRANSACTIONS:				
Debt incurred in the several Departments	Rs. 1,10,50,570	Rs.	Debt paid off in the several Departments	Rs. 77,97,132
Ditto on account Carnatic Fund	15,88,831		Excess of Debt paid off	43,14,114
Add, amount petty Claims discharged, erroneously debited the Fund in India	2,42,333			
Amount short-charged for Interest	5,724			
	18,36,888			
Deduct, paid in London	7,76,212	10,60,676		
	Rs. 1,21,11,246		Rs. 1,21,11,246	
Excess of Supplies received, as above				26,17,150
Ditto of Debt incurred				43,14,114
				69,31,264
Deduct, Balance of unadjusted transactions of the several Departments, stated in detail in the Madras Accounts				9,16,266
				78,47,530
BALANCE remaining on the 30th April 1825		Rs.		2,94,30,417

BY BALANCE remaining on 30th April 1825 - - - - -				Rs. 2,94,30,417			
1825-26.							
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 3, presented to Parliament - - - - -				Rs. 5,00,05,504			
Amount of Territorial Charges incurred in this year, per Budget Account, No. 3. - - - - -				Rs. 4,99,17,255			
Add, further Charges stated in the Madras Accounts in this year as Burmah War Charges, and included in the Budget view in 1824-25 - - - - -				12,20,637			
Also, Interest on Debts - - - - -				19,07,211			
Less, Amount over-stated for Carnatic Deposit - - - - -				46,640			
				18,60,571			
TOTAL CHARGES - - -				5,29,98,463			
Deduct, Deficit from Cash Balance - - -				29,92,959			
Balance remaining - - -				2,64,37,458			
SUPPLIES:							
From London, including His Majesty's Government - - -		Rs. 21,09,411	Rs. 23,90,109	To London - - -		Rs. 1,81,052	Rs. 1,81,144
Ditto on account Carnatic Fund - - -		7,97,746		Add, Adjustment with Bengal - - -		92	
Deduct, Political Stores		29,07,157 5,17,048		To Bengal - - -		91,98,443	91,22,032
From Bengal - - -		1,28,43,026		Deduct, Adjustment on account Subordinates - 76,319			
Deduct, Gain by Exchange, transferred to Revenue - - - 6,717				Ditto London - 92		76,411	61,81,571
Adjustment with Subordinates - 6,332							76,319
		13,049					14,17,796
From Bombay - - -			1,28,29,977	Excess of Supplies received - - -			1,69,78,862
From Subordinates - - -			21,78,389				9,02,900
From Commercial - - -			6,332				
			4,76,955				
		Rs. 1,78,81,762		Rs. 1,78,81,762			
DEBT TRANSACTIONS:							
Debt incurred in the several Departments - - -		Rs. 86,79,389	Rs. 11,62,704	Debt paid off in the several Departments - - -		Rs. 1,06,42,023	Rs. 1,06,42,023
Ditto on account Carnatic Fund - - -		Rs. 20,07,090					
Less, paid in London - 7,97,746							
Over credited for Interest - 46,640							
		8,44,386					
			98,42,093				
Excess of Debt discharged - - -			7,99,930				
		Rs. 1,06,42,023					
Excess of Supplies received - - -						9,02,900	
Balance of unadjusted transactions of the several Departments, stated in detail in the Madras Accounts - - -						1,18,193	
						10,21,093	
Deduct, Excess of Debt discharged - - -						7,99,930	
							2,21,163
Balance remaining on the 30th April 1826 - - -				Rs.			2,66,58,621

BY BALANCE remaining on 30th April 1826 - - - - -				Rs.	2,66,58,621
1826-27.				Rs.	
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 3, presented to Parliament - - - - - Pgs. 1,49,54,203, or				Rs.	5,23,39,711
Amount of Territorial Charges incurred in this year, per Budget Account, No. 3 - - - - - Pgs. 1,35,81,404, or				Rs.	4,75,34,914
Deduct, Amount overstated in ditto, now adjusted - - - - -				Rs.	1,03,332
					4,74,31,582
Interest on Debts - - - - - 19,66,412					
Deduct, overstated on account Carnatic Fund - - - - - 97,668					18,68,744
TOTAL CHARGES - - - - -					4,93,00,326
Surplus - - - - -					30,39,385
					2,96,98,006
SUPPLIES :					
From London, including transactions on account of His Majesty's Government - 32,75,593	Rs.		To London - - - - -	Rs.	2,18,425
Ditto on account Carnatic Fund - 9,28,543			Add, Adjustment on account Bengal - - - - -		30,899
					2,49,324
	42,04,136		To Bengal - - - - -		52,75,689
Deduct, Political Stores - 11,26,917			Deduct, Transferred to Subordinates - 6,30,559		
			Adjustment with Bengal - - - - - 30,899		6,61,458
					46,14,231
From Bengal - 97,79,238		30,77,219	To Bombay - - - - -		90,50,639
Deduct, Adjustment on account Subordinates - 60,065			To Subordinates - - - - -		6,30,559
			To Commercial - - - - -		21,95,030
		97,19,173			
From Bombay - - - - -		26,46,177			
From Subordinates - - - - -		60,065			
From Commercial - - - - -		2,24,141			
		1,57,26,775			
Excess of Supplies rendered -		10,13,008			
	Rs.	1,67,39,783		Rs.	1,67,39,783
DEBT TRANSACTIONS :					
Debt incurred in the several Departments - - - - -	Rs.		Debt paid off in the several Departments - - - - -	Rs.	95,50,871
Ditto - on account Carnatic Fund - - - - -		20,96,471	Ditto, the Accumulated Profits of the Government Bank carried to account of Revenues in this year - - - - -		54,26,981
Less, paid in England, 9,28,543					
Over credited for Interest - - - - - 97,668		10,26,211			
					10,70,260
					92,63,150
Excess of Debt paid off - - - - -					57,14,702
				Rs.	1,49,77,852
Deduct, Excess of Supplies rendered, as above - - - - -					10,13,008
Ditto, Debt discharged - - - - - ditto - - - - -					57,14,702
Balance of unadjusted transactions of the several Departments, stated in detail in the Madras Accounts - - - - -					3,90,485
					71,18,195
BALANCE remaining on the 30th April 1827 - - - - -				Rs.	2,25,79,811

BY BALANCE remaining on 30th April 1827 - - - - - Rs. 2,25,79,811

1827-28.

Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 3, presented to Parliament - - - - -	Pgs. 1,33,69,596, or	Rs. 4,67,93,586
Amount of Territorial Charges incurred in this year, per Budget Account, No. 3 - - - - -	Pgs. 1,50,18,992, or	Rs. 5,25,66,472
Add, Amount short stated in ditto, now adjusted - - - - -		40,983
	Rs. 5,26,07,455	
Interest on Debts - - - - -	20,23,515	
Less, amount overcharged for Carnatic Deposit - - - - -	1,59,241	
And the Interest on the sum of Rs. 54,26,981, the accumulated profits of the Government Bank, credited as Revenue last year - - - - -	3,25,619	
	4,84,860	
	15,38,655	
TOTAL CHARGES - - -		5,41,46,110

Deduct deficit from the Cash Balance - - - 73,52,524

Balance remaining - - - 1,52,27,287

SUPPLIES :

From London, including transactions on account of His Majesty's Government - - - - -	Rs. 35,72,382	Rs.	To London - - - - -	Rs. 32,44,436	Rs.
Ditto on account Carnatic Fund - - - - -	10,35,832		Add, Adjustment with Bengal, on account His Majesty's Government - - - - -	80,892	
	46,08,214		To Bengal - - - - -	47,96,320	33,25,328
Deduct, Political Stores - - - - -	10,68,356		Deduct, Transferred to Subordinates - - - - -	4,86,368	
		35,39,858	Ditto to London - - - - -	80,892	
From Bengal - - - - -	1,07,98,497			5,67,260	
Ditto, on account Deccan Prize - - - - -	5,87,822		To Bombay - - - - -		42,29,060
		1,13,86,319	To Subordinates - - - - -		37,84,387
From Bombay - - - - -		37,44,158	To London - - - - -		4,86,368
From Subordinates - - - - -		7,15,701			33,85,799
From Commercial - - - - -		1,72,066	To Excess of Supplies received - - - - -		1,52,10,942
	Rs. 1,95,58,102				43,47,160
				Rs. 1,95,58,102	

DEBT TRANSACTIONS :

Debt incurred in the several Departments - - - - -	Rs. 78,04,754	Rs.	Debt paid off in the several Departments - - - - -	Rs. 69,27,221
Deduct, Interest on Bank Profits, as above - - - - -	3,25,619		Ditto at Bengal on account Deccan Prize - - - - -	5,87,822
Debt incurred on account Carnatic Fund - - - - -	22,14,858			75,15,043
Less, paid in England - - - - -	10,35,832		Excess of Debt incurred - - - - -	9,83,877
Over credited for Interest - - - - -	1,59,241			
	11,95,073			
		10,19,785		
	Rs. 84,98,920			Rs. 84,98,920

Excess of Supplies received - - - - - 43,47,160
Ditto of Debt incurred - - - - - 9,83,877
Balance of unadjusted transactions of the several Departments, stated in detail in the Madras Accounts - - - - - 96,723
54,27,760
BALANCE remaining on the 30th April 1828 - - - Rs. 2,06,55,047

By BALANCE remaining on 30th April 1828				Rs. 2,06,55,047	
1828-29.					
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 3, presented to Parliament				Rs. 4,87,81,680	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 3				Rs. 1,39,37,623, or 4,81,44,457	
Add, Charges short stated in ditto, now adjusted				81,638	
Interest on Debts				19,44,522	
Less, Amount over-charged on Carnatic Deposit - 2,30,896					
And the Interest on the sum of Rupees 54,26,981, the accumulated Profits of the Government Bank, credited as Revenue in 1826-27 - 3,25,619					
				5,56,515	
TOTAL CHARGES				13,88,007	
				4,96,14,102	
Deduct, Deficit from the Cash Balance				8,32,422	
Balance Remaining				1,98,22,625	
SUPPLIES :					
Rs.		Rs.	Rs.		Rs.
From London	34,10,838		To London	2,09,024	
Ditto, on account Carnatic Fund	8,27,253		Add, Adjustment transferred from Bengal	28,330	
	42,38,091				2,37,354
Deduct, Value of Political Stores - 7,18,654			To Bengal	51,78,282	
Payment of Sir E. Stanley's Salary, 29,864	7,48,518		Deduct, transferred to London - 28,330		
		34,89,573	Ditto to Subordinates 4,50,371		
From Bengal	89,20,422			4,78,701	
Deduct, transferred to Subordinates	4,03,178				46,99,581
		85,17,244	To Bombay		68,00,390
From Bombay		26,50,342	To Subordinates		4,50,371
From Subordinates		4,03,178	To Commercial		24,45,504
From Commercial		1,48,699			1,46,33,200
	Rs. 1,52,09,036		Excess of Supplies received		5,75,836
				Rs. 1,52,09,036	
DEBT TRANSACTIONS :					
Rs.			Rs.		
Debt incurred in the several Departments	80,27,089		Debt paid off in the several Departments	73,94,205	
Deduct, Interest on Bank Profits, as above	3,25,619		Native Pension Fund, credited as an extraordinary charge	5,80,261	
	77,01,470			79,74,466	
Debt incurred on account Carnatic Fund	22,10,598		Excess of Debt incurred	8,79,453	
Less, Paid in England - 8,27,253					
Over-credited for Interest - 2,30,896	10,58,149				
	11,52,449				
	Rs. 88,53,919			88,53,919	
Excess of Supplies received, as above					
Ditto of Debt incurred					
Deduct Balance of unadjusted transactions of the several Departments, stated in detail in the Madras Accounts					
BALANCE remaining on the 30th April 1829					
Rs. 2,10,75,171					

—No. 7. (C.)—

A SUMMARY VIEW of the CASH TRANSACTIONS of the Government of
Bombay, from 1814-15 to 1828-29, inclusive.

— No. 7. (C.) —

A SUMMARY VIEW of the CASH TRANSACTIONS of the

	1814-15.	1815-16.	1816-17.	1817-18.	1818-19.	1819-20.
	£.	£.	£.	£.	£.	£.
Balance at the commencement of each official year - - - - -	614,224	765,173	825,349	567,868	1,192,703	1,330,038
Add:						
The Amount of Revenues realized in each year, per Budget Account No. 5. - - -	819,204	818,816	860,292	1,302,445	1,660,202	1,577,932
Extraordinary Receipts in excess of Extraordinary Charges which were omitted in Budget Account No. 5. - - -	17,456	23,043	13,638	46,163	- - -	- - -
Supplies from London, exclusive of Political Stores, included in Home Charges in excess of supplies thereto - - -	18,452	11,885	85,171	78,903	184,785	130,335
Supplies from Bengal and Madras, in excess of supplies thereto - - -	1,87,027	1,313,761	941,732	1,301,436	1,018,349	1,263,420
Supplies from subordinate settlements, (including St. Helena,) in excess of supplies thereto - - -	101	- - -	- - -	- - -	188	33
Supplies from Commercial Department, (including Canton,) in excess of supplies thereto - - -	- - -	- - -	- - -	- - -	- - -	12,718
Debt incurred by the receipt of deposits, &c. in excess of the deposits discharged - - -	- - -	95,611	5,848	142,506	3,429	- - -
TOTAL RECEIPTS in each year, combined with the Balance at the commencement of each year - - - - -	2,656,464	3,028,289	2,732,030	3,439,321	4,059,656	4,314,476
Deduct:						
Amount of the Territorial Charges incurred in each year, per Budget Account No. 5, which excludes the value of Political Stores charged in Home Account - - -	1,675,200	1,937,430	1,902,454	1,885,788	2,492,194	2,395,844
Extraordinary Charges in excess of extraordinary Receipts, which were omitted in the Budget Account No. 5. - - -	- - -	- - -	- - -	- - -	8,436	195,831
Interest on Deposits not included in No. 5, but stated in the combined view of the Revenues and Charges of India in Budget Account No. 8. - - -	21,524	18,327	22,002	26,527	36,811	29,672
Supplies to London in excess of supplies therefrom - - -	- - -	- - -	- - -	- - -	- - -	- - -
Ditto to Bengal and Madras in excess of supplies therefrom - - -	- - -	- - -	- - -	- - -	- - -	- - -
Ditto to subordinate settlements (including St. Helena) ditto ditto - - -	- - -	- - -	- - -	- - -	- - -	- - -
Ditto to Commercial Department (including Canton) in excess of supplies therefrom - - -	130,494	246,744	239,706	334,303	192,177	- - -
Debt paid off by deposits, &c. discharged, in excess of the deposits received - - -	63,714	- - -	- - -	- - -	- - -	40,426
TOTAL PAYMENTS - - -	1,890,932	2,203,001	2,164,162	2,246,618	2,729,618	2,661,773
	* 765,532	* 825,288				* 1,652,703
* Deduct 359 * Add - 61					* Deduct 239,885	
BALANCE remaining at the close of each official year - - - - -	765,173	825,349	567,868	1,192,703	1,330,038	1,412,818

* Red ink in MS.

Note.—In the years 1814-15 and 1815-16 apparent variations of small amount occur between the closing balances accounts of some small items of receipt and charge. The discrepancy between the closing balance of 1819-20, and the Bombay, to be occasioned by an alteration in the system of stating the military charges. The *unaudited* military advances of exhibiting the real cash in hand.

East India House, }
2 April 1832. }

— No. 7. (C.) —

GOVERNMENT of *Bombay*, from 1814-15 to 1828-29 inclusive.

1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	TOTAL.
£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
1,412,818	1,344,960	1,161,336	1,291,242	1,211,130	914,401	1,259,866	1,617,176	1,858,231	* Balance 1 May 1814. 614,224
2,401,312	2,855,741	3,372,447	2,789,550	1,785,217	2,262,393	2,588,983	2,542,326	2,331,802	
- - -	- - -	- - -	- - -	- - -	- - -	25,035	35,720	25,661	186,716
132,770	149,380	87,956	- - -	97,921	91,002	96,858	128,644	169,274	1,463,336
718,986	728,113	1,203,508	506,958	1,059,984	1,882,310	1,669,931	2,025,070	1,187,074	18,007,659
984	794	7,694	- - -	117	1,258	- - -	2,468	88	13,725
- - -	90,237	- - -	- - -	- - -	- - -	- - -	- - -	- - -	102,955
102,811	- - -	41,008	27,796	184,950	214,446	80,381	- - -	- - -	898,786
4,769,681	5,169,225	5,873,949	4,615,546	4,339,319	5,365,810	5,721,054	6,351,404	5,572,130	51,256,063
3,197,366	3,609,895	4,265,051	3,228,156	3,285,990	4,008,921	3,975,411	4,033,477	3,651,207	45,544,384
37,215	11,601	- - -	- - -	- - -	- - -	- - -	- - -	- - -	253,083
26,941	18,535	9,961	16,353	19,993	24,067	20,610	27,230	22,597	341,650
- - -	- - -	- - -	37,856	- - -	- - -	- - -	- - -	- - -	37,856
- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
- - -	- - -	- - -	- - -	- - -	- - -	166	- - -	- - -	166
163,199	- - -	307,695	122,051	118,935	72,956	107,691	188,901	123,388	2,348,240
- - -	367,858	- - -	- - -	- - -	- - -	- - -	243,565	9,600	725,163
3,424,721	4,007,889	4,582,707	3,404,416	3,424,918	4,105,944	4,103,878	4,493,173	3,806,792	49,250,542
1,344,960	1,161,336	1,291,242	1,211,130	914,401	1,259,866	1,617,176	1,858,231	1,765,338	* 2,005,521 * Deduct 240,183 1,765,338

of those years, and the opening balances of the succeeding years, which are occasioned by omissions in the original opening balance of 1820-21 to the extent of Rs. 21,32,310, or 239,885 *l.* is explained by the Accountant-general at being included in the former year's balance, and excluded from the opening balance of the latter year, for the purpose

No. 7. (C.)—continued.

A SUMMARY of the CASH TRANSACTIONS of *Bombay* and its Subordinates, from the Year 1814-15 to 1828-29, including SUPPLIES made to, and received from, other Presidencies, &c.

BY CASH BALANCES, remaining in the Treasuries of the several Departments, on the 30th April 1814		Rs.	
		54,59,769	
1814-15:			
Amount of Territorial Revenues realized in this year, according to Budget Account, No. 5, annually presented to Parliament - - - - -		Rs. 72,81,815	
Further amount of Revenues, chiefly of an extraordinary nature, not included in the above view - - - - -		3,36,677	
TOTAL REVENUES - - -		76,18,492	
Amount of Territorial Charges incurred in this year, according to Budget Account, No. 5, annually presented to Parliament - - - - -		Rs. 1,48,90,672	
Further charges omitted in the above view - - - - -		1,81,511	
Interest - - - - -		1,91,329	
TOTAL CHARGES - - -		1,52,63,512	
Deficit - - -		76,45,020	
SUPPLIES:			
From London - - - - -	Rs. 4,07,519	To London - - - - -	Rs. 2,43,503
From Bengal, including transactions on account His Majesty's Government - 85,44,860		To Bengal, including transactions on account His Majesty's Government - - -	14,59,352
Add, Consignment from Commerce - 37,184		To Madras - - - - -	4,58,713
	85,82,044	To Commercial Department - - - 28,70,609	
From Madras - - - - -	38,87,366	Consignment to Bengal - - - 37,184	
From Subordinate Settlements - - -	900		29,07,793
From Commercial Department - - -	17,47,849		50,69,361
Rs. 1,46,25,678		Excess of Supplies received - - -	95,56,317
		Rs. 1,46,25,678	
DEBT TRANSACTIONS:			
Debt incurred in the several Departments - - - - -	Rs. 2,24,861	Debt paid off - - - - -	Rs. 7,91,200
Excess of Debt paid off - - - - -	5,66,339		
Rs. 7,91,200		Rs. 7,91,200	
Excess of Supplies received, as shown above - - -			95,56,317
Deduct, Excess of Debt paid off, as shown above - - -			5,66,339
Means raised by these sources to meet the Deficit - - -			89,89,978
Supplies, &c. received in Excess of the Territorial Deficit - - -			13,44,958
BALANCE remaining on 30th April 1815 - - -		Rs.	68,04,727

BY BALANCE remaining on the 30th April 1815 - - - - -		Rs.	Rs.
Deduct, to be accounted for as an Extraordinary Charge, omitted last year - - - - -		68,04,727	
		3,186	
			68,01,541
1815-16 :			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 5, presented to Parliament - - - - -		72,78,364	
Further amount of Revenues, not included in Account No. 5 - - - - -		4,73,152	
TOTAL REVENUES - - -		77,51,516	
Amount of Territorial Charges incurred in this year, per Annual Parliamentary Account, No. 5 - - - - -		Rs. 1,72,21,605	
Further Charges, omitted in No. 5 - - - - -		2,68,320	
Interest - - - - -		1,67,349	
TOTAL CHARGES - - -		1,76,57,274	
Deficit - - -		99,05,758	
SUPPLIES :			
From London - - - - -	Rs. 4,04,919	To London - - - - -	Rs. 2,99,279
From Bengal, including transactions on account His Majesty's Government - 71,77,926		To Bengal, including transactions on account His Majesty's Government - - - - -	14,16,052
Add, Consignment from Commerce - 1,87,703		To Madras - - - - -	5,16,281
	73,65,629	To Commercial Department - - - - -	39,36,666
From Madras - - - - -	62,44,587	Add, Consignment to Bengal - - - - -	1,87,703
			41,24,369
From Commercial Department, including Canton - - - - -	19,31,088		63,55,981
		Excess of Supplies received - - - - -	95,90,242
Rs. 1,59,46,223		Rs. 1,59,46,223	
DEBT :			
Debt incurred in the several Departments - - - - -	Rs. 10,43,671	Debt paid off in the several Departments - - - - -	Rs. 1,93,795
		Excess of Debt incurred - - - - -	8,49,876
	Rs. 10,43,671		Rs. 10,43,671
Excess of Supplies received, as shown above - - - - -		95,90,242	
Ditto of Debt incurred - - - - -		8,49,876	
Means to meet the Deficit - - - - -		1,04,40,118	
Supplies, &c. received in Excess of Deficit - - - - -		5,34,360	
BALANCE remaining 30th April 1816 - - - - -		Rs. 73,35,901	

	Rs.	Rs.
BY Balance remaining on the 30th April 1816 - - - - -	73,35,901	
Add, to be accounted for as an Extraordinary Receipt, omitted in last year - - -	537	
		73,36,438
1816-17 :		
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 5, presented to Parliament - - - - -	76,47,042	
Further amount of Revenues, not included in Account, No. 5 - - - - -	1,22,675	
Add, Adjustment of Supplies to His Majesty's Government, credited in Bengal Accounts - - - - -	1,91,098	
	3,13,773	
TOTAL REVENUES - - -	79,60,815	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 5, Rs.1,69,10,702		
Further Charges, omitted in No. 5 - - - - -	1,92,544	
Interest - - - - -	1,95,573	
TOTAL CHARGES - - -	1,72,98,819	
Deficit - - -		93,38,004
SUPPLIES :		
From London - - - - -	Rs. 8,07,806	To London - - - - - Rs. 92,736
		Deduct, Amount transferred to Bengal - 42,000
From Bengal - - - - -	Rs. 58,73,228	
Add, Consignment from Commerce 3,64,340		
	62,37,570	To Bengal, including transactions on account His Majesty's Government - 12,80,814
		Add, a Transfer from London - 42,000
		Adjustments on account His Majesty's Government - 1,91,098
From Madras - - - - -	45,49,497	To Madras - - - - - 15,13,912
From Commercial Department, including Canton - - - - -	14,41,221	
		To Commercial Department, including Canton - 32,07,608
		Add, Consignments to Bengal - 3,64,342
		35,71,950
		60,38,802
		69,97,292
		Rs. 1,30,36,094
Rs. 1,30,36,094		
DEBT :		
Debt incurred in the several Departments - - - - -	Rs. 4,98,258	Debt paid off in the several Departments - - - - -
		Rs. 4,46,272
		Excess of Debt incurred - - - - -
		51,986
	Rs. 4,98,258	Rs. 4,98,258
Excess of Supplies received, as shown above - - - - -		69,97,292
Ditto of Debt incurred - - - - -		51,986
		70,49,278
Amount of Deficit in Excess of Supplies, &c. received - - -		22,88,726
BALANCE remaining 30th April 1817 - - -	Rs.	50,47,712

BY BALANCE remaining on the 30th April 1817 - - - - -		Rs.	Rs.
		-	50,47,712
1817-18:			
Amount of Territorial Revenues realized in this year, according to Annual Budget Account, No. 5, presented to Parliament - - - - -		1,15,77,292	
Further amount of Revenues, not included in Account, No. 5 - - - - - Rs. 8,03,268			
Add, Adjustment of Supplies to His Majesty's Government, credited in Bengal Account - - - - - 68		8,03,336	
TOTAL REVENUES - - -		1,23,80,628	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 5, Rs. 1,67,62,549			
Further Charges, omitted in No. 5 - - - - - 3,92,996			
Interest - - - - - 2,35,811			
TOTAL CHARGES - - -		1,73,91,356	
Deficit - - -		50,10,728	
SUPPLIES:			
From London - - - - -	Rs. 7,25,071	To London - - - - -	Rs. 23,709
From Bengal - - 90,26,865		To Bengal, including Transactions on account of His Majesty's Government - - -	16,44,180
Add, Consignment from Commerce 3,55,966	93,82,831		
From Madras - - - - -	59,92,935	To Madras - - - - -	21,85,365
From Commissioner at Poonah -	26,27,050	To Commissioner at Poonah -	26,08,955
From Commercial Department -	16,10,557	To Commercial Department - 42,26,170	
		Add, Consignment to Bengal - 3,55,966	
			45,82,136
			1,10,40,345
		Excess of Supplies received -	92,98,099
	Rs. 2,03,38,444		Rs. 2,03,38,444
DEBT:			
Debt incurred in the several Departments - - - - -	Rs. 20,23,259	Debt paid off in the several Departments - - - - -	Rs. 7,56,540
		Excess of Debt incurred - - -	12,66,719
	Rs. 20,23,259		Rs. 20,23,259
Excess of Supplies received, as shown above - - - - -		92,98,099	
Ditto of Debt incurred - - - - -		12,66,719	
Means to meet the Deficit - - - - -		1,05,64,818	
Supplies, &c. received in Excess of the Deficit - - - - -			55,54,090
BALANCE remaining on the 30th April 1818 - - - - -		Rs.	1,06,01,802

(continued)

BALANCE remaining on the 30th April 1818 - - - - -		Rs.	Rs.
			1,06,01,802
1818-19:			
Amount of Territorial Revenues realized this year, according to the Annual Budget Account, No. 5, presented to Parliament - - - - -		1,47,57,350	
Further amount of Revenues not included in the above view - - - - -		5,36,320	
TOTAL REVENUES - - -		1,52,93,670	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 5, Rs. 2,21,52,834			
Add, further amount of Charges, omitted in the above view - - - - -		6,11,308	
Interest - - - - -		3,27,209	
TOTAL CHARGES - - -		2,30,91,351	
Deficit - - -		77,97,681	
SUPPLIES:			
From London - - -	Rs. 16,42,534	To Bengal - - -	16,23,625
From Bengal Rs. 1,07,09,654		To Madras - - -	16,96,797
Add, Consignment from Commerce 6,74,580		To Commissioner at Poonah -	50,78,713
	1,13,84,234	To Commercial - 31,34,889	
From Madras - - -	36,95,106	Add, Consignment to Bengal - 6,74,580	
From Subordinates - - -	1,674		38,09,469
From Commissioner at Poonah	23,71,787		1,22,08,604
From Commercial - - -	21,01,228	Excess of Supplies received	89,87,959
Rs. 2,11,96,563		Rs. 2,11,96,563	
DEBT:			
Debt incurred in the several Departments - - -	Rs. 22,46,222	Debt paid off in the several Departments - - -	Rs. 22,15,746
		Excess of Debt incurred -	30,476
Rs. 22,46,222		Rs. 22,46,222	
Excess of Supplies received, as shown above - - - - -		89,87,959	
Excess of Debt incurred - - - - -		30,476	
Means to meet the Deficit - - - - -		90,18,435	
Amount of Supplies received in Excess of Deficit - - - - -			12,20,754
BALANCE remaining on the 30th April 1819 - - - - -		Rs.	1,18,22,556

BALANCE remaining on the 30th April 1819	-	-	-	-	-	-	Rs.	Rs.
								1,18,22,556
1819-20:								
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account, No. 5, present to Parliament	-	-	-	-	-	-	1,40,26,065	
Add, amount of Revenues from the recently acquired Mahratta Territory	-	Rs.	51,86,150					
Further Receipts, of an extraordinary nature, also omitted in the Budget View	-		2,10,570					
					53,96,720			
Deduct, an adjustment of clerical errors which occurred in the preparation of Budget Account, No. 5	-	-	-	-	-	-	2,10,611	
							51,86,109	
TOTAL REVENUES							-	1,92,12,174
Amount of Territorial Charges incurred in this year, per Budget Account, No. 5	-		2,12,96,394					
Add, amount of Charges of the recently acquired Mahratta Territory	-	-	51,52,615					
Further amount of Charges, chiefly of an extraordinary nature, also omitted in the Budget View	-	-	-	-	-	-	17,74,206	
Interest	-	-	-	-	-	-	2,63,747	
TOTAL CHARGES							-	2,84,86,962
Deficit							-	92,74,788
SUPPLIES :								
From London	-	Rs.	11,58,532	To Bengal	-	Rs.	18,10,031	
From Bengal	Rs. 1,02,67,644			To Madras	-		16,98,122	
Add, Consignments from Commerce	2,463			To Poonah	-		14,34,420	
		1,02,70,107		To Commercial Department	-	Rs. 17,15,693		
From Madras	-	13,47,354		Add, Consignments to Bengal	-	2,463		
Add, Consignments from Commerce	1,61,629			Ditto, Madras	-	1,61,629		
		15,08,983					18,79,785	
From Subordinates	-	292						
From Poonah	-	43,93,885					68,22,358	
From Commercial Department		19,92,834		Excess of Supplies received	-		1,25,02,275	
	Rs.	1,93,24,633			Rs.		1,93,24,633	
DEBT :								
Debt incurred in the several Departments	-	Rs.	6,31,852	Debt paid off in the several Departments	-	Rs.	9,91,197	
Excess of Debt paid off	-	3,59,345						
	Rs.	9,91,197			Rs.	9,91,197		
Excess of Supplies received, as shown above				-				1,25,02,275
Deduct, Excess of Debt paid off				-				3,59,345
Means to meet the Deficit							-	1,21,42,930
Supplies received in Excess of the Deficit							-	28,68,142
BALANCE remaining on the 30th April 1820							-	Rs. 1,46,90,698

(continued)

	Rs.	Rs.
BALANCE remaining on the 30th April 1820 - - - - -	1,46,90,698	
Deduct * unaudited Advances - - - - -	21,32,310	1,25,58,388

* Previously to this year the *audited* Military Disbursements only were included as Charges in the annual Statements; the Balance which remained, at the close of each year, therefore, consisted partly of *unaudited Advances*; but at this period the system was changed, the Advances being thenceforth at once stated as Charges; and the Accountant-General at Bombay, with the view of clearing the Balance at the close of 1819-20 of the *unaudited Advances*, excluded the amount thereof, viz. Rs. 21,32,310, from the opening Balance of 1820-21, which sum ought to have been included in the Charges of 1820-21.

1820-21 :		Rs.
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament - - - - -		2,13,44,994
Further amount of Revenues omitted in the above view - - - - -	Rs. 2,63,864	
Add, adjustment of supplies to His Majesty's Government, credited in Bengal Account - - - - -	70,795	3,34,659
TOTAL REVENUES - - -		2,16,79,653
Amount of Territorial Charges incurred in this year, per Budget Account, No. 5 - - - - -	Rs. 2,84,21,035	
Further amount of Charges, omitted in the above view - - - - -	6,65,454	
Interest - - - - -	2,39,478	
TOTAL CHARGES - - -		2,93,25,967
Deficit - - -		76,46,314

SUPPLIES :

	Rs.		Rs.
From London - - - - -	11,80,179	To Bengal - - - - -	Rs. 14,73,285
From Bengal - - - - -	Rs. 30,36,170	Add, Consignments to Commercial Department - - - - -	66,842
Add, Consignments from Commerce - - - - -	5,59,174	Adjustment of Supplies to His Majesty's Government - - - - -	70,795
	35,95,344		16,10,922
From Madras - - - - -	52,73,766	To Madras - - - - -	16,55,073
Add, Consignments from Commerce - - - - -	7,87,868	To Commercial Department - - - - -	19,23,270
	60,61,634	Add, Consignments to Bengal - - - - -	5,59,174
From Subordinates - - - - -	81,745	Ditto - Madras - - - - -	7,87,868
From Commercial Department - - - - -	17,52,812		32,70,312
Add, Consignments from Bengal - - - - -	66,842		65,36,307
	18,19,654	Excess of Supplies received - - - - -	61,29,249
Rs. 1,26,65,556		Rs. 1,26,65,556	

DEBT :

	Rs.		Rs.
Debt incurred in the several Department - - - - -	12,81,479	Debt paid off in the several Departments - - - - -	3,67,606
		Excess of Debt incurred - - - - -	9,13,873
Rs. 12,81,479		Rs. 12,81,479	

Excess of Supplies received, as shown above - - - - -	61,29,249
Ditto of Debt incurred - - - - -	9,13,873
Supplies received in aid of the Deficit - - - - -	70,43,122

Amount of Deficit in Excess of Supplies - - - - - 6,03,192

BALANCE remaining on 30th April 1821 - - - - - Rs. 1,19,55,196

BALANCE remaining on the 30th April 1821	-	-	-	-	-	-	-	-	-	Rs.		Rs.	1,19,55,196
1821-22 :													
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament	-	-	-	-	-	-	-	-	-				
Further amount of Extraordinary Receipts, omitted in the above view	-	-	-	-	-	-	-	-	-				
TOTAL REVENUES													
Amount of Territorial Charges incurred in this year, according to the Budget Account, No. 5	-	-	-	-	-	-	-	-	-	Rs.	3,20,87,955		
Add, further amount of Charges, including Interest on Deposits, omitted in No. 5	-	-	-	-	-	-	-	-	-	Rs.	4,96,860		
Add, Expense of Detachments employed in Persia	-	-	-	-	-	-	-	-	-		12,706		
											5,09,566		
Deduct,													
For adjustment of clerical errors, which occurred in the preparation of Budget Account, No. 5	-	-	-	-	-	-	-	-	-		1,63,765		
Interest	-	-	-	-	-	-	-	-	-			3,45,801	
												1,64,757	
TOTAL CHARGES													3,25,98,513
Deficit													69,71,469
SUPPLIES :													
From London	-	Rs.	51,35,820		Rs.					Rs.			
Deduct, transferred to Bengal, being the amount of Bills on the Court, in discharge of Bengal Debt	-		38,08,000										
				13,27,820									
From Bengal	-		2,14,89,418										
Add, a Transfer from London, as above			38,08,000										
				2,52,97,418									
From Madras	-		29,64,818										
Add, Consignment from Commerce	-		56,170										
				30,20,988									
From Subordinates	-		-		7,062								
From Commercial Department	-		23,28,385										
Add, Consignment from Bengal	-		7,209										
				23,35,594									
		Rs.	3,19,88,882							Rs.	3,19,88,882		
To Bengal	-	Rs.	2,05,75,112										
Add, Consignments to Commercial Department	-		7,209										
				2,05,75,112									
Deduct, Expenses of Detachment in Persia	-		12,706										
												2,05,69,615	
To Madras	-		-									12,76,677	
To Commercial Department	-		-										
Add, Consignment to Madras	-		56,170										
												15,33,486	
												2,33,79,778	
Excess of Supplies received	-											86,09,104	
		Rs.	3,19,88,882							Rs.	3,19,88,882		
DEBT:													
Debt incurred in the several Departments	-	Rs.	4,49,004		Debt paid off in the several Departments	-	Rs.	37,18,851					
Excess of Debt paid off	-		32,69,847										
		Rs.	37,18,851				Rs.	37,18,851					
Excess of Supplies received, as shown above	-											86,09,104	
Deduct, Excess of Debt paid off	-											32,69,847	
Supplies, &c. received in aid of Deficit	-											53,39,257	
Amount of Deficit in Excess of Supplies	-											16,32,212	
BALANCE remaining on 30th April 1822	-									Rs.		1,03,22,984	

	Rs.	Rs.
BALANCE remaining on the 30th April 1822 - - - - -	-	1,03,22,984
1822-23 :		
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament - - - - -	2,99,77,304	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 5 - - - - -	Rs. 3,79,06,206	Rs.
Add, Expense of Detachments employed in Persia - - - - -	5,357	
	3,79,11,563	
Interest on Deposits, omitted in ditto - - - - -	88,545	
TOTAL CHARGES - - - - -	3,80,00,108	
Deficit - - - - -	80,22,804	
SUPPLIES :		
From London - - - - -	Rs. 11,21,225	Rs.
Deduct, Amount of adjustments transferred to Bengal, being the amount of bills on the Court, in discharge of Bengal Debt - - - - -	3,35,300	
	7,85,925	
From Bengal, including transactions on account His Majesty's Government - - - - -	1,58,44,276	
Add, Adjustments on account of bills drawn on the Court, in re-payment of Loans - - - - -	3,35,300	
	1,61,79,576	
From Madras - - - - -	23,47,014	
Add, Consignments from Commerce - - - - -	24,720	
	23,71,734	
From Subordinates - - - - -	68,392	
From Commercial Department - - - - -	18,36,891	
	Rs. 2,12,42,518	
To London - - - - -	Rs. 4,089	
To Bengal - - - - -	67,09,444	
Deduct, Expense of Detachment in Persia - - - - -	5,357	
	67,04,087	
To Madras - - - - -	11,49,377	
To Commercial Department, including Canton - - - - -	45,47,237	
Add, Consignment to Madras - - - - -	24,720	
	45,71,957	
	1,24,29,510	
Excess of Supplies received - - - - -	88,13,008	
	Rs. 2,12,42,518	
DEBT :		
Debt incurred in the several Departments - - - - -	Rs. 11,35,503	Rs.
	Rs. 11,35,503	
Debt paid off in the several Departments - - - - -	Rs. 7,70,985	
Excess of Debt incurred - - - - -	3,64,518	
	Rs. 11,35,503	
Excess of Supplies received, as shown above - - - - -	88,13,008	
Excess of Debt incurred - - - - -	3,64,518	
Means to meet the Deficit - - - - -	91,77,526	
Supplies received in Excess of the Deficit - - - - -	11,54,722	
BALANCE remaining on the 30th April 1823 - - - - -	Rs. 1,14,77,706	

BALANCE remaining on the 30th April 1823 - - - -		Rs.	Rs.
			1,14,77,706
1823-24 :			
Amount of Territorial Revenues (including Receipts from the sale of Malwa Opium) realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament - -		2,47,96,003	
Amount of Territorial Charges (including Disbursements on account of Malwa Opium) incurred in this year, per Budget Account, No. 5 - - - - -		Rs. 2,86,94,667	Rs.
Add, Adjustment of Supplies on account His Majesty's Government, debited in Bengal Accounts - - - - -		52	
		2,86,94,719	
Interest on Deposits, &c. omitted in No. 5 - - - - -		1,45,363	
TOTAL CHARGES - - -		2,88,40,082	
Deficit - - -		40,44,079	
SUPPLIES :			
From London - - -	Rs. 12,59,933	To London - - -	Rs. 9,21,885
Deduct, Political Stores, included in Home Charges - - -	6,74,549	To Bengal - - -	49,89,055
	5,85,384	To Madras - - -	19,12,068
From Bengal, including transactions on account His Majesty's Government - - -	82,15,163	To Commercial Department - -	24,46,254
From Madras - - -	31,92,253		1,02,69,262
From Commercial Department	13,61,358	Excess of Supplies received -	30,84,896
Rs. 1,33,54,158		Rs. 1,33,54,158	
DEBT :			
Debt incurred in the several Departments - - -	Rs. 6,64,282	Debt paid off in the several Departments - - -	Rs. 4,17,204
		Excess of Debt incurred -	2,47,078
Rs. 6,64,282		Rs. 6,64,282	
Excess of Supplies received, as above - - - - -		30,84,896	
Ditto of Debt incurred - - - - -		2,47,078	
Means towards meeting the Deficit - - -		33,31,974	
Amount of Deficit in Excess of Supplies, &c. received - -		7,12,105	
BALANCE remaining on the 30th April 1824 - - - -		Rs. 1,07,65,601	

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							Rs.	Rs.
BALANCE remaining on the 30th April 1824							-	1,07,65,601
1824-25 :								
Amount of Territorial Revenue realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament							1,58,68,593	
Amount of Territorial Charges, according to Budget Account, No. 5							2,91,50,203	
Add, Adjustment on account Supplies to His Majesty's Government, debited in Bengal Accounts							2,654	
Ditto - of expense of Detachment in Persia							55,939	
							2,92,08,796	
Interest on Deposits, &c. omitted in No. 5							1,77,719	
TOTAL CHARGES							2,93,86,515	
Deficit							1,35,17,922	
SUPPLIES :								
Rs.		Rs.	Rs.		Rs.			
From London	- 18,22,280		To London	- - - -	31,870			
Deduct, Political Stores included in Home Charges	- 9,20,003		To Bengal	- - 22,02,173				
		9,02,277	Deduct, Expense of Detachments in Persia	- - 55,939	21,46,234			
From Bengal, including transactions on account His Majesty's Government	- 1,01,23,029		To Madras	- - - -	33,13,586			
Add, Adjustments on account His Majesty's Government	- 2,654		To Subordinates	- - - -	3,365			
Ditto, Consignment from Commercial Department	19		To Commercial Department	- - 24,17,438				
		1,01,25,702	Add, Consignment to Bengal	- - 19	24,17,457			
From Madras	- - - -	47,56,203			79,12,512			
From Subordinates	- - - -	4,402			92,36,327			
From Commercial Department	- - - -	13,60,255	Excess of Supplies received	- - - -				
	Rs.	1,71,48,839		Rs.	1,71,48,839			
DEBT :								
Rs.		Rs.	Rs.		Rs.			
Debt incurred in the several Departments	- - - -	27,01,997	Debt paid off in the several Departments	- - - -	10,57,995			
			Excess of Debt incurred	- - - -	16,44,002			
	Rs.	27,01,997		Rs.	27,01,997			
Excess of Supplies received, as shown above							92,36,327	
Ditto - of Debt incurred							16,44,002	
Means towards meeting the Deficit							1,08,80,329	
Amount of Deficit in Excess of Supplies received							26,37,593	
BALANCE remaining on the 30th April 1825							Rs.	81,28,008

BALANCE remaining on the 30th April 1825 - - - - -		Rs.	Rs.
			81,28,008
1825-26 :			
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament - - - - -		2,01,10,161	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 5 - - - - -	Rs.	Rs.	
	3,56,17,950		
Add, Adjustment of Supplies on Account His Majesty's Government, debited in Bengal Accounts - - - - -	2,875		
Ditto, Expense of Detachment in Persia - - - - -	14,527		
		3,56,34,852	
Interest on Deposits, omitted in ditto - - - - -		2,13,934	
TOTAL CHARGES - - -		3,58,48,786	
Deficit - - -		1,57,38,625	
SUPPLIES :			
From London - - -	Rs. 14,14,311	Rs.	
Deduct, Political Stores charged in Home Accounts - - -	6,05,117		
From Bengal - - -	1,50,87,019	8,09,194	
Add, Adjustment of Supplies to His Majesty's Government - - -	2,375		
From Madras - - -	51,31,357	1,50,89,394	
Expense of Troops in the Dooab, included in Bombay Charges 1824-25 - - -	8,30,448		
Ditto, 1825-26 - - -	8,41,727		
		68,03,532	
From Subordinates - - -		13,743	
From Commercial Department - - -		5,90,281	
	Rs. 2,33,06,144		
To London - - -		Rs. 282	
To Bengal, including transactions on account His Majesty's Government - - -		25,62,530	
Deduct, Expense of Detachments in Persia - - -		14,527	
		25,48,003	
To Madras - - -		26,13,278	
To Subordinates - - -		2,562	
To Commercial Department - - -		12,38,777	
		64,02,902	
Excess of Supplies received - - -		1,69,03,242	
		Rs. 2,33,06,144	
DEBT :			
Debt incurred in the several Departments - - -	Rs. 42,55,941	Debt paid off in the several Departments - - -	Rs. 23,49,761
		Excess of Debt incurred - - -	19,06,180
	Rs. 42,55,941		Rs. 44,55,941
Excess of Supplies received, as shown above - - -			1,69,03,242
Ditto, of Debt incurred - - -			19,06,180
		Means to meet the Deficit - - -	1,88,09,422
		Supplies, &c. received in Excess of the Deficit - - -	30,70,797
		BALANCE remaining on the 30th April 1826 - - -	Rs. 1,11,98,805

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BALANCE remaining on the 30th April 1826 - - - - -		Rs.	Rs.
		-	1,11,98,805
1826-27 :			
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament - - - - -		2,30,13,182	
Add, Adjustment of Supplies to His Majesty's Government, credited in Bengal Accounts - - - - -		2,62,810	
		2,32,75,992	
Amount of Territorial Charges incurred, per Budget Account, No. 5. - - - - -		3,53,36,985	
Add, Expense of Detachment in Persia - - - - -		40,278	
Interest on Deposits, omitted in ditto - - - - -		1,83,203	
TOTAL CHARGES - - - - -		3,55,60,466	
Deficit - - - - -		1,22,84,474	
SUPPLIES :			
From London - - - - -	Rs. 17,60,199	To London - - - - -	Rs. 4,016
Deduct, Political Stores included in Home Charges - - - - -	8,95,226		
	8,64,973		
From Bengal, including His Majesty's Government - - - - -	1,04,47,238	To Bengal - - - - -	19,46,684
Add, Consignment from Commercial Department - - - - -	32,934	Add, Adjustment of Supplies to His Majesty's Government - - - - -	2,62,810
	1,04,80,172		22,09,494
		Deduct, Expense of Detachment in Persia - - - - -	40,278
			21,69,216
From Madras - - - - -	83,78,682	To Madras - - - - -	26,48,893
Add, Expense of Troops in Dooab included in Bombay Charges - - - - -	8,04,007	Add, Consignment to Commercial Department - - - - -	993
	91,82,759		26,49,886
From Subordinates - - - - -	400	To Subordinates - - - - -	1,873
From Commercial Department - - - - -	2,83,189	To Commercial Department - - - - -	12,08,500
Add, Consignment from Madras - - - - -	993	Add, Consignment to Bengal - - - - -	32,934
	2,84,182		12,41,434
		Excess of Supplies received - - - - -	60,66,425
			1,47,46,061
Rs. 2,08,12,486		Rs. 2,08,12,486	
DEBT :			
Debt incurred in the several Departments - - - - -	Rs. 55,32,662	Debt paid off in the several Departments - - - - -	Rs. 48,18,166
		Excess of Debt incurred - - - - -	7,14,496
Rs. 55,32,662		Rs. 55,32,662	
Excess of Supplies received, as shown above - - - - -		1,47,46,061	
Ditto of Debt incurred - - - - -		7,14,496	
Means to meet the Deficit - - - - -		1,54,60,557	
Supplies, &c. received in Excess of the Deficit - - - - -		31,76,083	
BALANCE remaining on the 30th April 1827 - - - - -		Rs. 1,43,74,888	

BALANCE remaining on the 30th April 1827 - - - - -		Rs.	Rs.
		- - - - -	1,43,74,888
1827-28 :			
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament - - - - -		2,25,98,449	
Add, Adjustment of Supplies to His Majesty's Government, credited in Bengal Accounts -		3,34,041	
		2,29,32,490	
Amount of Territorial Charges incurred in this year, per Budget Account, No. 5, Rs. 3,58,53,128			
Expense of Detachment in Persia - - - - -		16,525	
Add, Interest on Deposits, omitted in ditto - - - - -		2,42,044	
TOTAL CHARGES - - -		3,61,11,697	
Deficit - - -		1,31,79,207	
SUPPLIES :			
From London - - -	Rs. 22,92,503	To London - - -	Rs. 3,900
Deduct, Political Stores Charged in Home Accounts - - -	11,45,090	To Bengal - - -	21,81,600
	11,47,413	Add, Adjustment of Supplies to His Majesty's Government - - -	3,34,041
To Bengal - - -	1,90,32,580		25,15,641
Ditto, on Account Deccan Prize - - -	6,88,425	Deduct, Expense of Detachment in Persia - - -	16,525
Consignment from Commerce - - -	5,707		24,99,116
	1,97,26,712	To Madras - - -	31,87,108
From Madras - - -	39,73,388	Add, Consignment to Madras - - -	13,251
From Subordinates - - -	25,899		32,00,359
From Commercial Department, including Canton - - -	1,68,513	To Subordinates - - -	3,965
Add, Consignment from Madras - - -	13,251	To Commercial Department - - -	18,55,178
	1,81,764	Add, Consignment to Bengal - - -	5,707
			18,60,885
		Excess of Supplies received -	75,68,225
			1,74,86,951
	Rs. 2,50,55,176		Rs. 2,50,55,176
DEBT :			
Debt incurred in the several Departments - - -	Rs. 25,31,741	Debt paid off in the several Departments - - -	Rs. 40,08,340
Excess of Debt paid off - - -	21,65,024	Ditto at Bengal, on account Deccan Prize - - -	6,88,425
	Rs. 46,96,765		Rs. 46,96,765
Excess of Supplies received, as shown above - - -		1,74,86,951	
Deduct excess of Debt paid off - - -		21,65,024	
Means to meet the Deficit - - -		1,53,21,927	
Supplies received in Excess of the Deficit - - -		21,42,720	
BALANCE remaining on the 30th April 1828 -		Rs.	1,65,17,608

			Rs.	Rs.
BALANCE remaining on the 30th April 1828	- - - - -	- - - - -	- - - - -	1,65,17,608
1828-29 :				
Amount of Territorial Revenues realized in this year, according to the Annual Budget Account, No. 5, presented to Parliament	- - - - -	- - - - -	2,07,27,130	
Add, Adjustment of Supplies to His Majesty's Government, credited in Bengal Accounts	- - - - -	- - - - -	2,28,098	
			2,09,55,228	
Amount of Territorial Charges incurred, per Budget Account, No. 5	- - - - -	Rs. 3,24,69,215		
Deduct, Sums merged in the Civil Charges on account Europe Stores	35,094			
Less, Expense of Detachment in Persia	21,052		14,042	
Interest	- - - - -		3,24,55,173	
			2,00,865	
		TOTAL CHARGES	- - - - -	3,26,56,038
		Deficit	- - - - -	1,17,00,810
SUPPLIES :				
From London	- 27,55,378	Rs.	To London	- - - - -
Deduct, Political Stores included in Home Charges	- 12,40,350		To Bengal	- - 23,05,486
		15,15,028	Add, Adjustment of Supplies to His Majesty's Government	- - 2,28,098
				25,33,584
From Bengal, including transactions on account His Majesty's Government	- - -	89,89,417	Deduct, Expense of Detachment in Persia	- - - 21,052
				25,12,532
From Madras	- - -	67,09,486	To Madras	- - 26,07,392
From Subordinates	- - -	2,548	Add, Adjustment on account Ernaud	- - - 7,692
From Commercial Department, including Canton	- 85,706		Ditto, Consignment to Commerce	- 19,515
Add, Consignment from Madras	- 19,515			26,34,599
		1,05,221	To Subordinates	- - - 1,769
			To Commercial Department	- - - 12,02,006
		Rs. 1,73,21,700		63,61,274
			Excess of Supplies received	- 1,09,60,426
				Rs. 1,73,21,700
DEBT :				
Debt incurred in the several Departments	- - - - -	Rs. 19,90,106	Debt paid off in the several Departments	- - - - -
Excess of Debt paid off	- - - - -	85,330		Rs. 20,75,436
		Rs. 20,75,436		Rs. 20,75,436
Excess of Supplies received, as shown above	- - - - -	- - - - -	1,09,60,426	
Deduct, Excess of Debt paid off	- - - - -	- - - - -	85,330	
				1,08,75,09
			Amount of Deficit in Excess of Supplies	- - - - -
				8,25,714
			BALANCE remaining on the 30th April 1829	- - - - -
				Rs. 1,56,91,894

— No. 7. (D.) —

COMBINED VIEW of the CASH TRANSACTIONS of *Bengal, Madras and Bombay*; from 1814-15 to 1828-29.

— No. 7. (D.) —

A SUMMARY VIEW of the CASH TRANSACTIONS of *Bengal, Madras*

	1814-15.	1815-16.	1816-17.	1817-18.	1818-19.	1819-20.
	£.	£.	£.	£.	£.	£.
Balance at the commencement of each official Year	5,548,476	6,562,294	6,663,175	7,692,472	7,119,630	8,346,569
Add, the amount of Revenues realized in each Year, per Budget Accounts presented to Parliament - - - - -	17,231,191	17,168,196	18,010,023	18,305,266	19,392,004	19,172,506
Extraordinary Receipts in excess of Extraordinary Charges which were omitted in the Budget Accounts - - - - -	95,026	153,420	168,091	45,816	34,008	-
Supplies from London, exclusive of Political Stores charged in Home Accounts, in excess of Supplies thereto - - - - -	-	-	1,112,311	451,170	186,637	546,694
Balance of Supplies between the Presidencies -	128,465	-	-	-	-	-
Debt incurred in excess of Debt discharged -	1,001,225	1,564,839	410,811	706,843	1,820,849	3,564,176
Balance of unadjusted transactions between the several Departments at Madras, stated in detail in the Madras Accounts - - - - -	-	102,134	6,609	-	311,846	-
TOTAL RECEIPTS in each Year, combined with the Balance at the commencement of each Year - - - - -	£. 24,004,383	25,550,883	26,371,020	27,201,567	28,864,974	31,629,945
Deduct, Amount of the Territorial Charges incurred in each Year, per Budget Accounts presented to Parliament - - - - -	14,182,451	15,081,587	15,129,833	15,844,966	17,558,616	17,040,848
Extraordinary Charges in excess of Extraordinary Receipts, which were omitted in the Budget Accounts - - - - -	-	-	-	-	-	216,002
Interest on Debts - - - - -	1,510,162	1,581,563	1,710,855	1,736,601	1,667,163	1,979,994
Supplies to London in excess of Supplies therefrom	251,706	160,093	-	-	-	-
Ditto to Commerce, including Canton, ditto -	1,255,489	1,829,611	1,524,343	1,789,276	594,332	1,781,814
Balance of Supplies between the Presidencies -	-	56,564	166,602	334,695	588,150	50,723
Supplies to the subordinate Settlements (including St. Helena) in excess of Supplies therefrom -	173,174	178,351	146,915	209,234	110,144	177,543
Debt paid off in excess of Debt incurred - -	-	-	-	-	-	-
Balance of unadjusted transactions between the several Departments at Madras, stated in detail in the Madras Accounts - - - - -	68,748	-	-	167,165	-	239,745
TOTAL PAYMENTS - - - £.	17,441,730	18,887,769	18,678,548	20,081,937	20,518,405	21,486,669
	*6,562,653	*6,663,114				*10,143,276
	*Ded. 359	*Add 61				Ded. 239,885
BALANCE remaining at the close of each official Year - - - - -	£. 6,562,294	6,663,175	7,692,472	7,119,630	8,346,569	9,903,391

* Red Ink in MS.

East India House,
2 April 1832. }

- - - - - No. 7. (D.) -

and *Bombay* combined; from 1814-15 to 1828-29 inclusive.

1820-21.	1821-22.	1822-23.	1823-24.	1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	TOTAL
£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
9,903,391	11,176,487	11,338,128	12,576,609	8,101,837	6,897,268	7,682,046	6,940,774	7,991,491	* 5,548,476 Bal. 1 May 1814
21,292,036	21,753,273	23,120,935	21,238,623	20,705,152	21,096,966	23,327,753	22,812,147	22,691,721	307,317,792
-	18,473	-	-	168,007	-	46,994	53,767	21,440	805,042
1,443,543	-	1,764,184	-	1,328,136	855,778	831,676	298,950	1,279,569	10,098,648
303,765	-	-	637,443	341,210	137,749	-	402,915	-	1,951,547
-	14,283	-	-	860,779	5,070,374	1,112,328	4,458,552	-	20,585,059
59,122	-	-	-	104,716	13,508	-	11,054	-	608,989
33,001,857	32,962,516	36,223,247	34,452,675	31,609,837	34,071,643	33,000,797	34,978,159	31,984,221	346,915,553
17,520,612	17,555,669	18,084,085	18,902,517	20,417,521	22,348,266	21,299,509	21,815,700	19,303,048	272,085,228
188,503	-	36,424	1,540	-	137,877	-	-	-	580,346
1,909,562	1,939,362	1,694,489	1,652,018	1,460,434	1,575,688	1,747,797	1,915,330	2,071,831	26,152,849
-	193,022	-	452,110	-	-	-	-	-	1,056,931
2,015,849	1,625,019	2,218,684	2,224,162	2,580,428	2,245,863	2,550,226	3,146,296	2,982,898	30,364,290
-	6,372	928,990	-	-	-	241,176	-	70	2,373,342
152,701	193,904	258,143	172,977	254,186	81,903	176,688	109,342	152,806	2,548,011
38,143	-	341,030	2,785,846	-	-	-	-	130,176	3,295,195
-	111,040	84,793	159,668	-	-	44,627	-	23,171	898,957
21,825,370	21,624,388	23,646,638	26,350,838	24,712,569	26,389,597	26,060,023	26,986,668	24,664,000	339,355,149
									* 7,560,404 * Ded. 240,183
11,176,487	11,338,128	12,576,609	8,101,837	6,897,268	7,682,046	6,940,774	7,991,491	7,320,221	7,320,221

For explanations of Adjustments, denoted by an asterisk *, see note to Bombay Abstract Statement.

(Errors excepted.)

James C. Melvill,
Aud^r Indian Acco^{ts}.

— No. 8. —

Appendix, No. 4.
Finances of India.

REVENUES and CHARGES of *St. Helena*, in each Year, from 1814-15 to 1828-29.

					REVENUES.	CHARGES.	NET CHARGE.
					£.	£.	£.
1814-15	-	-	-	-	1,872	93,959	92,087
1815-16	-	-	-	-	-	-	97,705
1816-17	-	-	-	-	-	-	97,705
1817-18	-	-	-	-	-	-	97,705
1818-19	-	-	-	-	-	-	97,705
1819-20	-	-	-	-	-	-	97,705
1820-21	-	-	-	-	-	-	97,705
1821-22	-	-	-	-	-	-	97,705
1822-23	-	-	-	-	1,860	121,953	120,093
1823-24	-	-	-	-	3,929	116,197	112,268
1824-25	-	-	-	-	1,816	111,265	109,449
1825-26	-	-	-	-	3,015	113,428	110,413
1826-27	-	-	-	-	3,943	118,443	114,500
1827-28	-	-	-	-	3,398	123,969	120,571
1828-29	-	-	-	-	2,583	115,637	113,054
					£. 22,416	914,851	
					TOTAL Net Charge - - - £.		1,576,370

(Errors excepted.)

East India House, }
2 April 1832. }

(signed) *James C. Melvill,*
Auditor India Acc^{ts}.

— No. 9. —

STATEMENT of the Amount of POLITICAL CHARGES incurred in *England*, deemed chargeable on the Territorial Revenues of *India*; from 1814-15 to 1828-29.

					Cost of all Political Stores exported to Bengal, Madras and Bombay.	Other Territorial Payments.	TOTAL.
					£.	£.	£.
1814-15	-	-	-	-	405,238	1,200,415	1,605,653
1815-16	-	-	-	-	363,496	1,254,403	1,617,899
1816-17	-	-	-	-	497,203	1,119,914	1,617,117
1817-18	-	-	-	-	275,039	1,149,326	1,424,365
1818-19	-	-	-	-	312,181	1,211,923	1,524,104
1819-20	-	-	-	-	371,412	1,234,655	1,606,067
1820-21	-	-	-	-	364,714	1,130,794	1,495,508
1821-22	-	-	-	-	321,371	1,248,983	1,570,354
1822-23	-	-	-	-	365,764	1,420,334	1,786,098
1823-24	-	-	-	-	395,276	1,300,000	1,300,000
1824-25	-	-	-	-	414,181	891,973	1,287,249
1825-26	-	-	-	-	740,728	1,236,892	1,651,073
1826-27	-	-	-	-	1,111,792	1,076,504	1,817,232
1827-28	-	-	-	-	805,016	1,318,102	2,429,894
1828-29	-	-	-	-	449,603	1,255,125	2,060,141
						1,517,802	1,967,405
Stores supplied to the Subordinates, as per annexed Statement -					7,193,014		
Stores sent from China and the Cape, as per annexed Statement -					102,578		
					22,270		
					£. 7,317,862	19,567,145	26,885,007

STATEMENTS referred to in No. 9.

COST of all CONSIGNMENTS sent from *England* to *Bencoolen, Prince of Wales Island,*
and *Singapore and Malacca.*

	BENCOOLEN.	PRINCE of WALES ISLAND.	SINGAPORE and MALACCA.	TOTAL.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.
1814-15 -	5,599 - 9	22,061 12 8	- - -	27,660 13 5
1815-16 -	6,183 11 10	- - -	- - -	6,183 11 10
1816-17 -	3,629 18 7	7,314 13 4	- - -	10,944 11 11
1817-18 -	1,351 8 4	1,915 4 4	- - -	3,266 12 8
1818-19 -	1,030 17 11	812 7 5	- - -	1,843 5 4
1819-20 -	- - -	1,544 19 6	- - -	1,544 19 6
1820-21 -	385 4 10	- - -	- - -	385 4 10
1821-22 -	1,271 13 5	6,081 11 -	- - -	7,353 4 5
1822-23 -	1,586 12 10	4,111 2 7	- - -	5,697 15 5
1823-24 -	8,215 - 10	- - -	- - -	8,215 - 10
1824-25 -	- - -	3,755 19 5	- - -	3,755 19 5
1825-26 -	- - -	7,531 6 2	1,798 2 9	9,329 8 11
1826-27 -	- - -	9,500 3 10	- - -	9,500 3 10
1827-28 -	- - -	3,064 4 9	- - -	3,064 4 9
1828-29 -	- - -	3,833 1 1	- - -	3,833 1 1
£.	29,253 9 4	71,526 6 1	1,798 2 9	102,577 18 2

AMOUNT of TERRITORIAL STORES Exported from *China* and the *Cape* to *India* ;
1814-15 to 1828-29.

	£.	£.
1814-15 -	- - -	-
1815-16 -	- - -	2,016
1816-17 -	- - -	-
1817-18 -	- - -	1,186
1818-19 -	- - -	1,230
1819-20 -	- - -	-
1820-21 -	- - -	-
1821-22 -	- - -	1,322
1822-23 -	- - -	-
1823-24 -	- - -	-
1824-25 -	- - -	1,246
1825-26 -	- - -	-
1826-27 -	- - -	2,833
1827-28 -	- - -	1,387
1828-29 -	- - -	11,050
		22,270

Included in continuation of the Account between the two Branches for the year
1829-30.

(Errors excepted.)

East India House, }
2 April 1832. }

(signed) James C. Melvill,
Auditor India Acc^{ts}.

Appendix, No. 5.

Appendix, No. 5.

Extract Letter from
Accountant-general
to Government of
Bengal; 15 June
1831.EXTRACT LETTER from the Accountant-general at *Bengal* to the Government of
Bengal; dated 15th June 1831.

THE following Statement of the Actual Charges of the year 1829-30, contrasted with those of 1823-24, is framed upon the principle laid down in the 14th paragraph of the Honourable Court's Despatch, under date 12th December 1827; from which it will appear that, in order to regain the level of the Expenditure of the year 1823-24, prescribed by the Honourable Court as the scale by which the Charges of the Government should be regulated, Your Honourable Vice President in Council will have to effect farther reduction of Charges to the extent of about 80 lacs of rupees.

STATEMENT :

	1823-24.	1829-30.	1823-24.	1829-30.
BENGAL :				
Civil Charges exclusive of Europe Stores, as per Court's Letter, S.Rs. 3,93,77,602				
Deduct, Scindiah's horse, not included in 1829-30, that being provided for by Scindiah's Government - 8,83,263				
	3,84,94,339	3,79,51,742		
Interest - - - - -	1,26,36,985	1,53,48,508		
			5,11,31,324	5,33,00,250
Military ditto, omitting Sums disbursed on account of Burmah War - -	- - -	- - -	3,60,69,658	3,57,18,774
MADRAS :				
Civil Charges, ditto - ditto - M.Rs.	1,78,00,919	1,84,80,127		
Interest - - - - -	14,85,534	19,17,833		
			1,92,86,453	2,03,97,960
Military ditto - - - - -	- - -	- - -	2,67,22,851	2,82,47,691
BOMBAY :				
Civil Charges, ditto - ditto B. Rs. 1,20,81,756				
Add, Village Charges, which formerly were collected and disbursed without being brought to account - 15,11,668				
	1,35,93,424	1,59,61,176		
Interest - - - - -	1,45,363	1,87,865		
			1,37,38,787	1,61,49,041
Military ditto - - - - -	- - -	- - -	1,44,44,002	1,56,52,422
			Rupees - - -	16,13,93,075
				16,94,66,138

Appendix, No. 6.

STATEMENT showing the estimated Effect subsequently to the Year 1829-30 of the REDUCTIONS which have been ordered in the CHARGES of *India*, and the Amount of the further Reductions necessary to reduce those Charges to the standard of those of the Year 1823-24.

Appendix, No. 6.
Reductions of
Indian Charges.

BENGAL :		
The additional effect after 1829-30 of the Reductions in progress is estimated at - - - - -	S. Rs.	48,50,000
But under several heads the full amount of Charge is not included in 1829-30. If included, it is estimated that the Charges would be increased by - - - - -	Rs. * 53,00,000	
And the Prospective Estimate for 1834 assumes a higher interest on the debt than in 1829-30 by - - - - -	22,19,193	
	75,19,193	
From which deduct some extraordinary Charges in that year, which will not recur, amounting to - - - - -	9,63,643	
And the amount in which the net Charge in 1829-30 is less than is estimated for future years, will be - - - - -	65,55,550	
Hence the further reductions at Bengal will be less than equivalent to the additional Charge by - - - - -	17,05,550	or £. 197,844
MADRAS :		
The additional effect after 1829-30 of the Reductions in progress, is estimated at - - - - -	Rs. 25,00,000	
The Prospective Estimate for 1834 states the interest in future years at a higher amount by - - - - -	2,25,000	
And the Charge of liquidating the Tanjore debts must be added - - - - -	6,39,720	
	8,64,720	
Hence the further Reductions at Madras will exceed the additional Charge by - - - - -	16,35,280	or £. 186,889
BOMBAY :		
The additional effect after 1829-30 of the Reductions in progress is estimated at - - - - -	26,50,000	or £. 298,125
Net effect of further reductions at Madras and Bombay - - - - -	£.	485,014
From which deducting the result at Bengal, the net effect of further Reductions in all India will be - - - - -	£.	287,170
Hence, of the further reduction required to bring the Charge of 1829-30 to the standard of 1823-24, as shown by the Accountant-general of Bengal, viz. Rs. 80,73,063		919,290
The estimated additional improvement requisite, when all the Reductions of Charge now in progress are carried into full effect, will be - - - - -	£.	632,120

India Board, }
8 June 1832. }

(Errors excepted.)

Wm. Leach.

* Arrears of Civil Allowances - - - - -	Rs. 25,00,000
Ditto of Pensions and Stipends - - - - -	14,00,000
Extraordinary Civil Charges less than usual in 1829-30 - - - - -	4,00,000
Ditto - - Military ditto - - - - -	10,00,000
	<u>S.Rs. 53,00,000</u>

Appendix, No. 7.

Appendix, No. 7.
Reductions of
Indian Allowances
and Establishments.

STATEMENT of the REDUCTIONS of INDIAN ALLOWANCES and ESTABLISHMENTS (Civil, Marine and Military), ordered by the Court and the several Local Governments since the close of the Year 1827-28; distinguishing (as far as can be done) such as were to have immediate, from those which it was intended should have only prospective effect:—And a further STATEMENT, showing the estimated effect of certain Measures of Reduction which have been recommended by the late Calcutta Civil Finance Committee; but which have been either rejected, or are still under consideration.

CIVIL REDUCTIONS.

BENGAL PRESIDENCY.

MEASURES OF REDUCTION.	ESTIMATED AMOUNT of Reductions actually Ordered.			Reductions Ordered at the recommend- ation of the Finance Committee, and included in the preced- ing Columns.	Further Reductions recommended by the Committee, but either rejected or still under consideration.
	Immediate.	Prospective.	Total.		
GENERAL DEPARTMENT: (including POLITICAL.)	Sicca Rupees.	Sicca Rupees.	Sicca Rupees.	Sicca Rupees.	Sicca Rupees.
Reductions made on the occasion of filling up the appointments of Postmaster-general, Mintmaster and Superintendent of Stamps - -	30,000	16,000	46,000		
Ditto, in Post-office establishments -	34,840	-	34,840		
Ditto, in Mint and Assay-office establishments - -	57,660	-	57,660		
Ditto, in other subordinate establishments - -	14,400	-	14,400		
Ditto, in the offices of Account, Pay and Audit - -	9,200	7,300	16,500	16,500	
Discontinuance of the Allowance of 100 rupees per month to Civil Assistant Surgeons - -	60,000	-	60,000		
Expenses of the Telegraphic Establishments, the Mineralogical Survey and the Shakspearian Bridges, discontinued - -	66,500	-	66,500		
Reductions in the College and Botanical Garden, and office of Superintendent of Hindoo Researches, abolished - -	79,400	-	79,400	79,400	
Ditto, in the Vaccine establishments	49,600	-	49,600		
Modification of the office of Commissioner on the Tenasserim Coast -	88,300	-	88,300		
Reductions in the Salaries of Residents Agencies at Baugur, Kanthul and Bhopawar, abolished - -	74,300	-	74,300		
Reduction in the establishment of the Persian Mission - -	43,300	-	43,300		
Establishments attached to Political Agencies and Residencies - -	38,000	-	38,000		
Office of Agent at Moorshedabad, and Second and Military Assistantships to the Nagpore and Hyderabad Residencies, abolished -	56,900	-	56,900		
2d Assistant at Gwalior to be abolished	31,900	-	31,900	31,900	
Miscellaneous items - -	-	7,200	7,200	7,200	
Modification of the Secretariat -	35,000	-	35,000		
Reductions proposed in the Ecclesiastical establishments - -	35,500	1,10,520	1,46,020	1,46,020	1,68,000
Deputy Postmasterships recommended to be abolished - -	-	-	-	-	84,100
Agencies at Jyepore, Loodiana, Oydepore, &c., and Third and Extra Assistantships to the Indore Residency, proposed to be abolished -	-	-	-	-	28,900
Proposed Reductions in the establishment of the Seharunpore Garden, and of the Taj Mehal at Agra, and in the Charge on account of Teak Plantations - -	-	-	-	-	1,38,900
	-	-	-	-	7,250
TOTAL General Department, including Political - -	8,04,800	1,41,020	9,45,820	2,81,020	4,27,150

MEASURES OF REDUCTION.	ESTIMATED AMOUNT of Reductions actually Ordered.			Reductions Ordered at the recommend- ation of the Finance Committee, and included in the preced- ing Columns.	Further Reductions recommended by the Committee, but either rejected or still under consideration.
	Immediate.	Prospective.	Total.		
	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>
JUDICIAL DEPARTMENT:					
Office of Superintendent and Remem- brancer of Legal Affairs abolished	3,400	18,700	22,100	22,100	
Reduction in the salary of the Super- intendent of Deyra Doon - - -	12,000	-	12,000		
Ditto, in the establishment of the Court of Requests - - -	4,850	-	4,850		
Ditto, of the establishments of Zillah and other Courts - - -	1,15,000	-	1,15,000		
Ditto of Police establishments - -	1,15,280	-	1,15,280		
Miscellaneous items - - -	3,230	-	3,230		
TOTAL Judicial Department	2,53,760	18,700	2,72,460		
Deduct, Amount of various additions to Allowances, &c. in this Depart- ment, authorized since 1st May 1828 - - - - -	1,17,140	-	1,17,140		
TOTAL Net Reductions in the Judicial Department - - }	1,36,620	18,700	1,55,320	22,100	
REVENUE DEPARTMENT: (including CUSTOMS, &c.)					
Abolition of Record Committees -	59,160	-	59,160	59,160	
Ditto of Boards of Revenue - -	49,080	-	49,080		
Ditto of the Mofussil Special Com- mission - - - - -	1,25,500	-	1,25,500		
Reduction of subordinate Revenue establishments - - - - -	2,32,000	-	2,32,000		
Additional offices abolished by Go- vernment Resolution of December 1828 - - - - -	-	1,16,560	1,16,560		
Abolition of the office of Commis- sioner in the Sunderbunds - -	-	-	-	-	59,120
Miscellaneous items - - -	22,060	-	22,060		
TOTAL Revenue Department	4,87,800	1,16,560	6,04,360		
Deduct, Amount of various additions to Allowances, &c. in this Depart- ment, authorized since 1st May 1828, &c. - - - - -	1,79,330	-	1,79,330		
TOTAL Net Reduction in the Revenue Department - - }	3,08,470	1,16,560	4,25,030	59,160	59,120
JUDICIAL and REVENUE DEPART- MENTS Combined.					
Proposed Abolition of Provincial Courts of Appeal - - - -	-	-	-	-	6,73,000
Proposed Modification of Judicial and Revenue establishments - -	-	-	-	-	10,59,840
TOTAL - - -	-	-	-	-	17,32,840
Deduct, Proposed addition to the establishment of the Sudder Adawlut - - - - -				1,70,000	
Ditto, Ditto, to the Salaries of Native Judges - -				3,07,500	
					4,77,500
NET SAVING from the proposed Judicial and Revenue Arrangements - - - - - }					12,55,340

(continued)

II.
FINANCE.

Appendix, No. 7.

Reductions of
Indian Allowances
and Establishments.

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MEASURES OF REDUCTION.	ESTIMATED AMOUNT Of Reductions actually Ordered.			Reductions Ordered at the recommendation of the Finance Committee, and included in the preceding Columns.	Further Reductions recommended by the Committee, but either rejected or still under consideration.
	Immediate.	Prospective.	Total.		
	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>
CIVIL DEPARTMENTS generally: Ultimate Saving by the general revision of Civil Allowances, exclusive of items separately stated -	-	4,30,000	4,30,000		
MARINE DEPARTMENT: Reductions in the Crews of Boats and Vessels, including the Survey establishment -	2,15,130	-	2,15,130		
Further Reductions proposed by the Civil Finance Committee -	1,01,890	1,04,790	2,06,680	2,06,680	65,450
TOTAL Marine Department -	3,17,020	1,04,790	4,21,810	2,06,680	65,450

MADRAS PRESIDENCY:

GENERAL DEPARTMENT: (including POLITICAL.)	Madras Rs.	Madras Rs.	Madras Rs.	Madras Rs.	Madras Rs.
Reductions ordered in various subordinate establishments -	68,422	-	68,422		
Abolition of the office of Superintendent of Civil Pensions -	6,000	-	6,000	6,000	
Abolition of the appointment of Junior Deputy Accountant-general, and consolidation of the offices of Civil Auditor and Secretary, &c. to the Government Bank -	14,700	27,100	41,800	41,800	
Reductions in the establishment of the Accountant-general's office -	10,000	-	10,000	10,000	11,200
Consolidation of the offices of Mintmaster and Superintendent of Stamps -	-	8,300	8,300	8,300	
Discontinuance of the office of the Mintmaster's Assayer, and Secretary to the Mint Committee -	-	15,900	15,900	15,900	
Proposed abolition of the office of Additional Government Commissioner for Claims withdrawn from the Carnatic Fund -	-	-	-	-	37,230
Abolition of the appointment of Mah-ratta Vakeel at Madras -	9,000	-	9,000	9,000	
Reduction in the allowances of the Mysore Resident -	43,770	-	43,770		
Office of Assistant to the Mysore Resident abolished -	9,660	-	9,660	9,660	
Second Secretaryship to the College abolished -	4,200	-	4,200	4,200	
Discontinuance of the establishment attached to the Carnatic Commissioners, one half only of which was chargeable to the Company, 16,000 rupees -	8,000	-	8,000		
Reduction in the Secretariat -	-	17,650	17,650	17,650	
Proposed reductions of the Salaries of the Translators to Government, and abolition of the Deputy Translatorships -	-	-	-	-	33,000

This office was actually abolished by the Madras Government in September 1830; but the Tanjore Commissioners at home and abroad having made remonstrances against the measure as being directly calculated to delay the business of that Commission, the Court, in a despatch to Madras, dated 13th April 1831, authorized the Government to revive the appointment, and information has since been received from Madras that a proceeding of that kind was also in their contemplation

MEASURES OF REDUCTION.	ESTIMATED AMOUNT Of Reductions actually Ordered,			Reductions Ordered at the recommend- ation of the Finance Committee, and included in the preced- ing Columns.	Further Reductions recommended by the Committee, but either rejected or still under consideration.
	Immediate.	Prospective.	Total.		
General Department— <i>continued</i> .	Madras Rs.	Madras Rs.	Madras Rs.	Madras Rs.	Madras Rs.
Abolition of the establishment at- tached to the Government Agent at Chepauk - - - -	- -	- -	- -	- -	5,200
Reductions proposed in the Eccle- siastical establishment - - -	- -	- -	- -	- -	46,330
TOTAL General Department -	1,73,752	68,950	2,42,702	1,22,510	1,32,960
JUDICIAL DEPARTMENT:					
Reductions ordered in various subor- dinate establishments - - -	9,700	- -	9,700		
Discontinuance of the third Judge of the Sudder Adawlut - - -	- -	49,000	49,000	49,000	
Abolition of the Deputy Registrarship of the Sudder Adawlut recom- mended - - - -	- -	- -	- -	- -	10,500
Proposed abolition of the Zillah Court of Guntoor - - - -	- -	- -	- -	- -	63,050
Substitution of seven Provincial Judges for four Provincial Courts - -	- -	2,54,200	2,54,200	2,54,200	
Ditto of Sudder Aumeens for Provin- cial and Zillah Registrars - -	- -	28,800	28,000	27,360	
Ditto of Talook Moonsifs for Hindoo and Mohamedan Law Officers -	- -	34,020	34,020		
TOTAL Judicial Department -	9,700	3,66,020	3,75,720	3,30,560	73,550
REVENUE DEPARTMENT : (including CUSTOMS, &c.)					
Reductions in the various subordi- nate establishments - - -	2,45,330	- -	2,45,330		
Office of Assistant Collector of Sea Customs at Madras abolished -	10,000	- -	10,000	10,000	
Reductions in the Salaries of the Collector and Deputy Collector of Madras, ordered by the Court -	8,000	2,000	10,000		
Discontinuance of the separate Al- lowance to the Superintendent of Stationery, ordered by the Court -	4,200	- -	4,200		
Office of fourth Member of the Board of Revenue proposed to be discon- tinued - - - -	- -	35,000	35,000	35,000	
Additional Sub-collectorships in Can- nara, Cuddapah and Tanjore, with the establishments attached, re- commended to be abolished -	20,000	- -	20,000	20,000	46,000
Abolition of extra and three Assist- ant Civil Engineerships proposed -	- -	- -	- -	- -	21,390
	2,87,530	37,000	3,24,530		
Deduct, Increase of Salaries to Mem- bers of the Board of Revenue, sanc- tioned since 1st May 1828 - -	9,600	- -	9,600		
TOTAL Revenue Department -	2,77,930	37,000	3,14,930	65,000	67,390
MARINE DEPARTMENT:					
Reduction in the Salary of the Mas- ter Attendant and office of Deputy Master Attendant to be abolished -	3,600	27,480	31,080	31,080	

II.
FINANCE.

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Appendix, No. 7.

BOMBAY PRESIDENCY.

Reductions of
Indian Allowances
and Establishments.

MEASURES OF REDUCTION.	ESTIMATED AMOUNT of Reductions actually Ordered.			Reductions Ordered at the recommend- ation of the Finance Committee, and included in the preced- ing Columns.	Further Reductions recommended by the Committee, but either rejected or still under consideration.
	Immediate.	Prospective.	Total.		
	Bombay Rs.	Bombay Rs.	Bombay Rs.	Bombay Rs.	Bombay Rs.
GENERAL DEPARTMENT : (including POLITICAL.)					
Discontinuance of the Observatory -	9,300	-	9,300	9,300	
Office of Statistical Reporter abolished	9,200	-	9,200	9,200	
Proposed Saving in the departments of Account, Pay and Audit at the Presidency - - - - -	4,690	6,300	10,990	6,000	9,400
Reduction in the Governor's House- hold establishment, ordered by the Court - - - - -	9,300	-	9,300	9,300	6,000
Appointments of Assistants to the Members of Council abolished -	2,160	-	2,160	2,160	
Reductions in the Secretariat de- partment - - - - -	6,060	-	6,060	6,060	14,990
Ditto in the establishment of the Persian office - - - - -	2,208	2,700	4,908	4,440	
Engineer Institution proposed to be abolished - - - - -	3,600	-	3,600	3,600	32,150
Proposed abolition of the Lithogra- phic Press - - - - -	11,880	-	11,880	11,880	40,680
Salary and establishments of the Secretary to the Committee for Examining Junior Civil Servants, discontinued - - - - -	15,260	-	15,260		
Abolition of the appointments of Bheel Agents and their establish- ments - - - - -	2,800	-	2,800	-	6,590
Agency for the purchase of Timber in Malabar abolished - - - -	10,440	-	10,440		
Miscellaneous items of reduction proposed - - - - -	-	-	-	-	33,500
Office of Assistant Civil Surgeon at the Presidency abolished - -	1,440	-	1,440	1,440	
Reductions in various subordinate establishments - - - - -	38,260	2,100	40,360		
Proposed consolidation, &c. of Po- litical Residencies and Agencies -	-	-	-	-	2,41,000
Proposed modifications and reduc- tions in the Post-office and Medi- cal departments - - - - -	-	-	-	-	74,400
Reductions proposed in the Eccle- siastical establishment - - -	-	-	-	-	37,170
TOTAL General Department, (including Political) - - -	1,26,598	11,100	1,37,698	63,380	4,95,880
JUDICIAL DEPARTMENT :					
Reductions in various subordinate establishments, (including the Stamp department) - - - -	1,42,930	1,800	1,44,730		
Reductions proposed in the Agency for Sirdars in the Deccan - -	-	-	-	-	29,430
Proposed abolition of the King's Supreme Court at Bombay, and substitution of the former Recor- der's Court - - - - -	-	-	-	-	1,25,900
Proposed abolition of the Provincial Court of Appeal and Circuit -	-	-	-	-	1,32,960
Other proposed Reductions - -	-	-	-	-	1,26,930
Deduct, certain proposed Additions to Salaries and Establishments -	-	-	-	-	4,15,220
TOTAL Judicial Department -	1,42,930	1,800	1,44,730	-	2,93,620

MEASURES OF REDUCTION.	ESTIMATED AMOUNT of Reductions actually Ordered.			Reductions Ordered at the recommend- ation of the Finance Committee, and included in the preceding Columns.	Further Reductions recommended by the Committee, but either rejected or still under consideration
	Immediate.	Prospective.	Total.		
REVENUE DEPARTMENT : (including CUSTOMS, &c.)	<i>Bombay Rs.</i>	<i>Bombay Rs.</i>	<i>Bombay Rs.</i>	<i>Bombay Rs.</i>	<i>Bombay Rs.</i>
Reductions in various subordinate establishments - - - -	1,90,270	- -	1,90,270		
Abolition of the Revenue Survey, and Assessment establishment in the Deccan - - - -	- -	1,50,000	1,50,000	1,50,000	
Proposed Reductions of Offices and Allowances - - - -	- -	- -	- -	- -	2,37,750
TOTAL Revenue Department, including Customs, &c. - }	1,90,270	1,50,000	3,40,270	1,50,000	2,37,750
CIVIL DEPARTMENT generally:					
General Revision of the Allowances of covenanted Civil Servants, Consolidation of Offices, &c. - -	- -	3,30,000	3,30,000		
MARINE:					
Proposed Reduction of the Indian Navy - - - -	- -	- -	- -	- -	6,91,000

PENANG, SINGAPORE and MALACCA:

The separate Government of these Settlements ordered by the Court to be abolished from 1st May 1830, and various Offices, Allowances and Establishments reduced -	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	<i>Sicca Rupees.</i>	
	3,75,000	75,000	4,50,000	

SUMMARY of CIVIL and MARINE REDUCTIONS.

	Immediate.	Prospective.	TOTAL.	Ordered at the recom- mendation of the Finance Committee, and included in the preceding Columns.	Further Reductions recommended by the Committee, but either rejected or still under consideration.
BENGAL - - - -	<i>Sicca Rupees.</i> 15,66,910	<i>Sicca Rupees.</i> 8,11,070	<i>Sicca Rupees.</i> 23,77,980	<i>Sicca Rupees.</i> 5,68,960	<i>Sicca Rupees.</i> 18,07,060
MADRAS - - - -	<i>Madras Rs.</i> [4,64,982]	<i>Madras Rs.</i> [4,99,450]	<i>Madras Rs.</i> [9,64,432]	<i>Madras Rs.</i> [5,49,150]	<i>Madras Rs.</i> [2,73,900]
at 106.62 Madras to 100 Sicca Rupees } - -	4,36,111	4,68,439	9,04,550	5,15,053	2,56,893
BOMBAY - - - -	<i>Bombay Rs.</i> [4,59,798]	<i>Bombay Rs.</i> [4,92,900]	<i>Bombay Rs.</i> [9,52,698]	<i>Bombay Rs.</i> [2,13,380]	<i>Bombay Rs.</i> [17,18,250]
at 106.62 Bombay to 100 Sicca Rupees } - -	4,31,249	4,62,296	8,93,545	2,00,131	16,11,564
PENANG, SINGAPORE and MALACCA	3,75,000	75,000	4,50,000		
GRAND TOTAL - - Sicca Rupees	28,09,270	*18,16,805	46,26,075	12,84,144	36,75,517

* Note.—Many of the prospective reductions in the Civil Departments are dependent upon contingencies very remote.

The Figures between [] are in Red Ink in the MS.

Appendix, No. 7.

Reductions of
Indian Allowances
and Establishments.

MILITARY REDUCTIONS.

	Estimated Amount of Reductions actually Ordered.
BENGAL:	
	<i>Sonant Rupees.</i>
Reduction of 80 men from each of the 10 regiments of cavalry	2,56,714
Ditto, of 100 men from each of the 74 regiments of regular infantry	6,99,300
Two guns withdrawn from each of the 12 light field batteries	43,659
Magazines at Dacca and Bareilly abolished	16,874
Military allowances of officers in the service of Native Powers withdrawn	76,310
Reduction in the arsenal of Fort William	10,734
Reductions in the establishment of warrant officers	55,315
Allowance of quartermaster's carts abolished	60,480
Salary of the Military Secretary to the Commander-in-Chief reduced	10,849
The five privileged stations reduced to half-batta stations	1,98,547
Reduction in the number of army cattle	1,65,047
The Sanatorium discontinued	14,574
Reduction of two troops from each of the 10 regiments of Native cavalry; ordered by the Court	2,40,017
Ditto, of two companies from each of the 74 regiments of infantry; ordered by ditto	9,75,912
Ditto, of the establishment of subaltern officers belonging to the European infantry, and the horse and foot artillery; ordered by ditto	1,17,230
Reductions in the Barrack department	30,285
The Benares, Purneah, and Orissa provincial corps, disbanded	2,83,800
Sixth, seventh and eighth regiments of irregular horse, ditto	6,28,242
Establishments of army carriage cattle further reduced	2,88,247
Timber agency at Nauthpore, and timber depôt at Balloo Ghaut, discontinued	20,988
Various reductions in the department of Public Works	41,034
The two corps of European infantry incorporated into one regiment	1,14,334
Reduction of the Calcutta Native militia	70,491
Further reductions in the Ordnance department	12,738
Second Nusseree battalion disbanded	85,000
Artillery riding-school at Dum Dum abolished	22,000
Appointment of regulating officer of invalid thannahs to be abolished	31,536
First and second battalions of Native invalids broken up	1,40,000
Escort with the resident at Nypal reduced to one company	16,338
Two artillery division commands abolished	13,848
Moorshedabad provincial battalion disbanded	1,00,000
Lock hospitals abolished	30,000
Appointment of garrison storekeeper of Fort William consolidated with that of executive commissariat officer at the Presidency	12,000
Corps of Bhaugulpore hill rangers reduced	15,000
Seharunpore provincial battalion disbanded	80,000
Ramghur local battalion reduced	33,000
Establishment of doolee bearers reduced	34,000
Further probable saving by the disbandment of provincial battalions, and substitution of burkundauzes in their stead	2,00,000
Bullocks substituted for horses in three batteries of field artillery	34,000
Depôt for King's troops at Chinsurah abolished	20,000
Revision of establishments in the Ordnance department	50,000
Various minor reductions	1,09,000
Deduct, Amount of various additions to Establishments and Allowances, authorized since 1st May 1828	54,57,643
	1,75,800
TOTAL Net Reduction	52,81,843
or, Sicca Rupees	50,54,063

MADRAS:		Estimated Amount of Reductions actually Ordered.
	Madras Rupees.	
Reduction of the light cavalry to 50 privates per troop - - - - -	3,20,000	
Ditto, in the establishment of the gun-carriage manufactory, and by short issues of gunpowder - - - - -	50,000	
Saving in the hire of carriage bullocks - - - - -	20,640	
Further reduction in the light cavalry - - - - -	16,716	
Expense of the field equipments of the different divisions of the army reduced - - - - -	1,50,000	
The two extra regiments of Native infantry reduced - - - - -	1,04,190	
Number of saddles with the light cavalry reduced, and short issues of grain to horses - - - - -	35,300	
Reductions at Penang, and on the Tenasserim coast - - - - -	1,06,000	
Reduction of two troops from each regiment of Native cavalry; ordered by the Court - - - - -	2,39,000	
Ditto, of two companies from each regiment of Native infantry; ordered by ditto - - - - -	7,20,900	
Light field force at Kulladgee broken up - - - - -	2,27,000	
The two European regiments formed into one - - - - -	1,05,000	
Seringapatam local battallion reduced - - - - -	70,000	
Formation of the rifle corps into one of the regiments of the line - - -	1,40,000	
Appointments of Persian interpreters to the Hyderabad, Nagpore and Jaulnah forces, to be abolished - - - - -	12,500	
Abolition of various staff appointments - - - - -	16,760	
Corps of guides reduced - - - - -	6,300	
Reduction in the horse artillery - - - - -	2,50,000	
Reduction of the number of draught cattle - - - - -	1,50,000	
Veteran battalions reduced - - - - -	1,00,000	
The pioneers reduced - - - - -	70,000	
Reductions in the Medical department - - - - -	12,500	
TOTAL Reduction - - Madras Rupees	29,22,806	

or, *Sicca Rupees* 27,41,330

BOMBAY:		Bombay Rupees.
Field allowances to the troops at Mhow struck off - - - - -	2,10,000	
Regimental allowances of officers in the service of Native Princes, ditto -	9,300	
The light battalion at Poonah, broken up - - - - -	6,744	
Each regiment of Native cavalry reduced to 50 privates per troop - - -	2,55,000	
Reductions in the Native infantry - - - - -	5,45,000	
Evacuation of Mhow by the Bombay troops - - - - -	3,00,000	
New scale of allowances fixed for medical officers regimentally employed -	60,000	
Situation of troop quartermasters of horse artillery abolished - - - - -	7,900	
Two troops reduced from each regiment of Native cavalry, and two com- panies from each regiment of regular infantry, as ordered by the Court -	6,80,000	
Saving in office rent - - - - -	17,460	
Office of inspector of hill forts in the Deccan abolished - - - - -	6,280	
The horse artillery reduced - - - - -	98,000	
Establishment of horses and mules employed with the foot artillery at Poonah and Baroda - - - - -	40,000	
Reductions in the European infantry, ordered by the Court - - - - -	1,28,000	
The surveys in the Deccan and Southern Concan discontinued - - - - -	38,000	
Battalion of Native invalids re-organized - - - - -	8,352	
The issue of blank ammunition reduced - - - - -	27,000	
Reductions in the 1st battalion of the foot artillery - - - - -	41,000	
The two extra battalions disbanded - - - - -	2,00,000	
Officers of European corps placed on half tent allowance - - - - -	70,000	
The two European regiments incorporated into one - - - - -	1,12,000	
The Military Board discontinued - - - - -	8,868	
Reductions in the pay of dooley bearers and other commissariat followers	10,400	
Pay of tent and store lascars reduced, &c. - - - - -	15,000	
Rates of clothing stoppages equalized with those of Bengal - - - - -	27,000	
Reductions in the Commissariat - - - - -	28,350	
The garrison of Broach discontinued - - - - -	13,000	
Further saving in office rent - - - - -	13,200	
Carried forward - - -	29,75,854	

Appendix, No. 7.

Reductions of
Indian Allowances
and Establishments.

BOMBAY---continued.

	Estimated Amount of Reductions actually Ordered.
	<i>Bombay Rupees.</i>
Brought forward - - -	29,75,854
Regimental allowances struck off from King's officers on the staff not borne on the establishment of regiments - - - - -	10,430
Grain rations for horses reduced - - - - -	45,000
Batta struck off at the frontier stations of Deesa and Bhooj (European officers excepted) - - - - -	1,80,000
The situation of executive engineer abolished at eight stations - - -	55,530
The battalion of Native invalids broken up - - - - -	70,000
An immediate reduction of 15 per cent., and a further prospective reduction of 5 per cent. ordered to be made in the amount of all office establishments - - - - -	60,000
The pioneer corps reduced to six companies - - - - -	20,000
The office of inspecting engineer at the Presidency abolished - - -	14,800
Re-organization of the Ordnance department - - - - -	54,000
Corps of tent lascars reduced - - - - -	14,000
Various minor reductions of allowances and establishments - - -	1,40,965
	36,40,579
Deduct, Amount of various additions to Allowances and Establishments authorized since 1st May 1828 - - - - -	3,15,694
TOTAL Net Reduction - - - <i>Bombay Rupees</i>	33,24,885
	or, <i>Sicca Rupees</i>
	31,18,444

SUMMARY OF MILITARY REDUCTIONS.

	Estimated Amount of Reductions actually Ordered.
	<i>Sicca Rupees.</i>
BENGAL - - - - -	50,54,063
MADRAS - - - - -	27,41,330
BOMBAY - - - - -	31,18,444
GRAND TOTAL - - - <i>Sicca Rupees</i>	1,09,13,837

Note.—Almost the only Military Reductions which (strictly speaking) can be called *immediate* are those made in the irregular Forces and Establishments. In the regular Army the reductions take place as the supernumeraries are removed by death or other casualties, a process which in general is completed within three or four years

(Errors excepted.)

East India House, }
22d Feb. 1832. }

James C. Melvill,
Aud^r of India Acct^s.

Appendix, No. 8.

Appendix, No. 8.

COPY of TREASURY MINUTES, CORRESPONDENCE, &c. relative to the Settlement of the Accounts between the Public and the East India Company, in 1822.

Settlement of
Accounts between
the Public and East
India Company, in
1822.

Copy TREASURY MINUTE, 28 May 1822.

THE Earl of Liverpool and the Chancellor of the Exchequer call the attention of the Board to their Minute of the 13th July 1821, appointing Viscount Lowther, Sir George Clerk and Mr. Lushington, on the part of His Majesty's Government, to meet two gentlemen to be appointed by the East India Company, for the purpose of adjusting the whole of the outstanding accounts between the Public and the Company; and to the letter of the Secretary of the East India Company, dated the 18th of the same month, stating the appointment of Jacob Bosanquet, Esq. and George Abercrombie Robinson, Esq. on the part of the Company, for the same object.

The Earl of Liverpool and the Chancellor of the Exchequer lay before the Board the following Statement, received from the Commissioners on the part of the Public:

"The balance claimed by the East India Company, in the account transmitted to us, is 1,985,888 *l.*, exclusive of interest. If the charge for interest be made up, upon the principles adopted by the Committee of the House of Commons in 1805 and 1808, there must be added to this sum in favour of the Company, about 3,200,000 *l.*; making the total demand of the Company against the Public 5,185,888 *l.*"

Vide Statement (A.)
pp. 185-6.

But the very first item in this account seems to us not admissible, either in justice towards the Public or with due regard to the principles upon which the Committees of the House of Commons, who examined the accounts between the Public and the East India Company in the years 1805 and 1808, proceeded.

The Committee of 1805 positively disallowed this claim; the Committee of 1808 closed the account, leaving it out, observing that under the order of reference made to them, they did not think themselves authorized to make any observations upon the principles on which the Committee of 1805 arranged the claims of the Company. They, however, thought it their duty, under all the circumstances of the case, to state the amount of what the Company maintain to be their "just and unsatisfied demand," on account of the other half of the expenses incurred by the capture and maintenance of Ceylon, being—

For principal	-	-	-	-	-	-	-	£. 1,020,184
For interest, up to 1808	-	-	-	-	-	-	-	952,800

Total claim for the remaining half, principal and	}	£. 1,972,984
interest up to 1808		

The account between the Public and Company was stated by the Committee in 1808, exclusive of this sum; and as it appeared that a balance was then due to the Company, of 1,500,419 *l.*, Parliament thought fit to authorize the payment of 1,500,000 *l.* on this account; and this sum was accordingly paid to the Company.

It does not appear that any recorded decision upon this claim of the Company exists, except that of the Committees in 1805 and 1808.

The Committees of the House of Commons upon India affairs in 1810, 1811 and 1812, took no notice of this claim; but there certainly is no evidence of a distinct rejection of it by Parliament, or of a formal abandonment of the claim by the East India Company.

But whether the rejection of this sum from the present account be to rest upon the decision of the Committees of 1805 and 1808, or upon the justice of the case, it appears to us equally defensible. If this sum should now be debited to the Public, the result to the Company would be, that no part of the expense on account of the capture and maintenance of Malacca, the Moluccas, and the maintenance of Ceylon, would fall upon them, but the Public would actually bear the ordinary expense of that part of the Company's troops which were employed either to conquer or maintain those possessions, even though no new levies were raised in their continental territories: thus making the Public pay the whole expense of that portion of the Company's army, and this notwithstanding the indulgent principles upon which the Committees of 1805 and 1808 adjusted other parts of the accounts between the Public and the Company. They exonerated the Company from every expense on account of the capture of the Danish settlements in 1801, of the capture of Ceylon, of the expedition to Egypt, and for the expedition and supplies to the Cape of Good Hope. In all these enterprizes the safety of the Company's possessions and power in India were, either directly or indirectly, involved; and therefore an adjustment of accounts which relieved them from all expense under these heads, cannot in our judgment be justly complained of, although the particular charge alluded to has been the subject of much remonstrance on the part of the Company at different periods of time; at all events,

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Settlement of
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if one part of the adjustment made in 1805 and 1808 is to be opened for the benefit of the Company, the whole must be deemed matter for discussion and renewed arrangement, and it may be fairly questioned whether the Company would not rather lose than gain by re-opening the whole of the accounts.

For these reasons we reject entirely the first item of the account, amounting, for prin-
cipal, to - - - - - £. 1,020,184
Interest to this time - - - - - 2,479,816

Making together - - - £. 3,500,000

The remainder of the account consists of various charges from the year 1808, and for subsequent expeditions, amounting to - - - - - £. 10,257,644

Deduct half the expense of the Eastern Islands since 1808 - - - 109,500

Net debit - - - £. 10,148,144

The credits to the Public for repayments, Pay-office disbursements, &c. amount to - - - - - £. 9,291,940;—
As entered in the Company's account.

To this however are to be added two sums, amounting to 241,950 *l.*; the one being a suspended charge of 100,690 *l.* in the old account of Pay-office charges, afterwards admitted by the Company; the other being the difference between 2,000,000 *l.* as voted by Parliament to the Company, and which in the account is short credited in the sum of 141,260 *l.*, upon the ground that the Company should only be charged with what 2,000,000 *l.* of bullion would value to them in India; but as this 2,000,000 *l.* was neither sent out to India in bullion, nor subject to expense of remittance, the Public ought not to be debited for any expense incurred by the Company under either of these heads.

The total credits therefore to the Public appear to be 9,533,200 *l.*; which, deducted from the total debits, leaves a balance to the Company, in principal, of 615,000 *l.*

A minute examination of all the items of these accounts might vary this result, although it is impossible, without a detailed examination of the vouchers to every account, to pronounce on which side the difference would ultimately fall. Such an examination, to be perfect, should be taken up from the year 1794: if performed in a less satisfactory manner, it would begin from 1808. Considering, however, that the accountants employed by the Public and the East India Company have never yet agreed in the mode of applying the principles established by the Committee of 1805, there is no ground to expect that a detailed investigation of these accounts could be accomplished satisfactorily to either party within any reasonable period of time.

Assuming then that the principal due to the East India Company, on this view of the accounts, is 615,000 *l.*, the charge for interest on both sides would make a very material alteration in favour of the Company; and if reckoned in a relative proportion to a former calculation, and according to the principles in practice in Indian accounts, the statement would stand as follows:

	Principal.	Interest.	TOTAL.
	£.	£.	£.
Debts against the Public - - -	10,148,000	5,079,000	= 15,227,000
Credits - - - - -	9,533,000	3,705,000	= 13,238,000
Balance due to the Company -	615,000	1,374,000	= 1,989,000

The extent to which this balance might be reduced would depend upon the discretion of the Commissioners.

One sum of 450,000 *l.* would be fair matter of argument to be contended for as a saving of interest to the Public, by balancing the account to January 1812, according to the Treasury Minute of 1811, and thereby the Public would be relieved from the higher rate of interest for which the Company have always had credit in their accounts - £. 450,000

There is also a claim for an overcharge on account of the shipping employed on the expeditions against the French islands and Java, estimated at 220,000

Also a claim for sequestered property at the Cape - - - 100,000

£. 770,000

These sums deducted from 1,989,000 *l.*, would leave a balance due to the Company of 1,219,000 *l.*

It should, however, be stated, that the Committee of the House of Commons, in 1808, reserved for further discussion a sum of 443,767 *l.* in the Pay-office demands, on the ground of the objections made by the Company to those accounts.

Of

Of that amount, the sum of 100,690*l.* is included in this statement; and it may be reasonable to conclude that some part of the remainder would fall to the credit of the Public. On the other hand, it should be stated, that full credit is taken for all the payments made to the troops since 1808, as given in by the Paymaster-general in the account now presented by the Company; and it is probable that a detailed examination of the accounts would make some difference under this head against the Public. The remainder of the suspended claims prior to 1808, may be fairly set against any overcharge in the Paymaster-general's Account since that period, and still leave a balance due to the Company of 1,219,000*l.*, as the result of closing the General Account up to April 1820, the Paymaster's Account up to December 1820, and the Interest Account to April 1821.

The continuation of the General Account as to India, up to April 1822, of the Paymaster-general's Accounts up to December 1821, would make a difference in favour of the Public of 150,000*l.*; to which might be added an account of spices, belonging to the Public, in the Company's warehouses, 185,656*l.*, making together, in favour of the Public, 335,656*l.*

This sum, deducted from 1,219,000*l.*, would leave the net balance due to the Company 883,444*l.*

The Company might perhaps object to any deduction on account of the spices, and desire they might be credited to the Public as sold. In that case, the deduction from the net balance would be confined to the Paymaster's disbursements for the last year, leaving a debt due to the Company of 1,069,000*l.*

Considering that the Public have property of some value at St. Helena, we think it might be reasonable to make this over to the Company, and state the debt due to them at one million; and thus close every account up to the present year.

(signed) *Lowther.*
S. R. Lushington.
George Clerk.

Statement (A.)

STATE of the DEMANDS of the East India Company on Government, and the CREDITS claimed by Government.

DEMANDS OF THE EAST INDIA COMPANY.

	£.
BALANCE due on former Account for Ceylon and the Eastern Islands, 1st March 1808	1,020,184
Eastern Islands - - - { For the Expenses on account of these Islands, in consequence of their capture in 1795-6, from 1806-7 to 1819-20 - - - }	219,004
Ceylon - - - { For Supplies from India to that Settlement, and Expenses in England for Tonnage, &c. &c. after deducting the value of Cinnamon received 1807-8 to 1819-20 - - - }	485,181
Cape of Good Hope - - - For Supplies, &c. 1806 to 1808, and 1819-20 -	91,043
Stores to His Majesty's Ships in India - - - } D ^o from 1806-7 to 1818-19 - - -	199,967
Expedition to the French Islands { For Supplies, Expenses, Bills drawn, &c. 1809-10 to 1819-20 - - - }	3,432,826
Expedition to Java - - - For D ^o - - and D ^o - - 1810-11 to 1817-18 -	4,061,663
Expedition to the Moluccas - - } For D ^o D ^o and - - D ^o - - after giving credit for Spices received from 1813 to 1821 - - }	91,921
Diplomatic Expense incurred in Persia - - - } From 1811 to 1817 - - -	171,975
Advances for the Naval Service of Government in India - - } Advances from 1811-12 to 1816-17 - -	183,945
Extra Expenses at St. Helena - From October 1815 to 30th April 1821 - -	950,927
Expense of building Ships of War in India, for the Public - - } From 1806-7 to 1818 - - -	220,671
Miscellaneous Disbursements - On sundry accounts - - -	148,521
	£, 11,277,828

East India House, 16th April 1822.

Appendix, No. 8.

Statement (A.)—continued.

Settlement of
Accounts between
the Public and East
India Company, in
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CREDITS CLAIMED BY GOVERNMENT.

	£.
Loan in Exchequer Bills in 1810	1,500,000
Charge for Recruits transferred to the Company by Government, from 1799 to 1816	383,513
Amount received from Government, April 1813	1,858,840
Net proceeds of the Cargoes of the Wyndham and Ceylon, received from the Mauritius	99,440
Bill drawn by the agents, for the Captors of Java, on Bengal, in favour of Government, indorsed by Government to the Company	191,787
Exchequer Bills received August 1816	359,820
Bullion consigned to India by Government, received in Bengal in 1816-17	916,776
Bills on the Dutch Government in favour of the Company, on account of Java, received in 1817 to 1821	347,512
Pay-office demands, from 1808 to 1820, both inclusive	3,564,692
Miscellaneous charges	69,560
	£. 9,291,940
Balance	1,985,888
(Errors Excepted.)	(Exclusive of Interest.) £. 11,277,828

The Earl of Liverpool and the Chancellor of the Exchequer further acquaint the Board, that, upon a consideration of this statement, they deemed it most for the advantage of the Public to open a negociation with the East India Company, for a final settlement of these accounts.

Various conferences and communications having subsequently taken place, between the Earl of Liverpool, the Chancellor of the Exchequer, and the President of the Board of Control, on the part of Government; and the Chairman and Deputy Chairman, on the part of the East India Company; and the statement of the Commissioners on the part of the Public having been delivered; the following Memorandum in reply was submitted by the Chairman and Deputy Chairman.

1st. Balance of former Account for Ceylon and the Eastern Islands.

The Committee of the House of Commons in 1808, stated in their Report as follows; viz.

“Your Committee cannot, in justice to the Company, conclude this part of their Report, without calling the attention of the House to the remonstrances made against the mode adopted by the Committee appointed in 1805, to take into consideration the account between the Public and the East India Company, as far as relates to the expenses incurred by the capture and maintenance of Malacca and the Moluccas, and the maintenance of Ceylon; a mode of decision by which claims on the part of the Company, to no less an amount than 1,972,984 l. have been set aside.”

Appendix, No. 4.

The arguments by which these claims were resisted and defended, and from which it is to be presumed the adjustment in question took place, will be found in the Appendix; and also, a Statement prepared by the Court of Directors, connected with the same subject.

Then follows the quotation given in the paper.

From these observations, and as the Company have since at different times brought forward their claim to a more liberal consideration of this article, it was conceived, that when the whole of the accounts depending between Government and the Company were to be submitted to the examination of commissioners, this would be a favourable opportunity for bringing the claim once more under discussion.

It is unnecessary to detail the arguments by which the Company supported their demand on this article: they are to be found in the Appendix to the Reports of the Committees of the House of Commons in 1805 and 1808.

2d. Sums to be added to the Credit of Government; 1st. 100,690 l., a suspended charge in the old account of Pay-office Charges, afterwards admitted by the Company.

* Should be
£. 106,090.

This sum of 100,690 l.* has not been brought to the credit of Government, because the Pay-office charges since 1808 appear liable to objections to a much more considerable amount; it is admitted to be probable, that a detailed examination of these accounts would make some difference under this head against the Public: but it is added, that the remainder of the suspended claims prior to 1808 may be fairly set against any overcharge in the Paymaster-general's Account, since that period. Now, with great submission, this is hardly possible; the remainder of the suspended accounts prior to 1808 is 219,000 l.; the objections to the accounts since that period amount to 603,000 l.; in both instances exclusive of interest.

But in addition to the suspensions prior to 1808, stated in the Report of the Committee in that year, it has been calculated, that an overcharge for recruits sent to India from 1793 to 1807, has been made in the Pay-office accounts, of 228,000 l.; so that the whole of the objections lately brought forward amount to 831,000 l., exclusive of interest.

Besides,

Besides, a doubt may reasonably be entertained of any revision of the former suspensions producing more satisfactory explanations than those which have already been furnished, by which no more than 106,090 *l.* (not 100,690 *l.* as stated) have been substantiated out of 326,000 *l.*; and from the explanations furnished by the Pay-office, a part of this sum to the amount of 153,600 *l.* seems to be submitted as objectionable, the remainder is about 66,000 *l.* If the rule of proportion were to govern in this instance, the result would be, that out of 831,000 *l.*, the amount of recent objections, no more than 270,000 *l.* or 280,000 *l.* could be substantiated, leaving a claim of credit to the Company of 530,000 *l.*

3d. The Difference between 2,000,000 *l.*, voted by Parliament, and the sum brought to credit, 1,858,740 *l.*, being 141,260 *l.*

The Committee in 1808 admitted that the sums received by the Company from Government should be credited, after allowing the expense of remittance in bullion to India; that is, that although the sums were 100,000 *l.*, 200,000 *l.*, or 500,000 *l.*, they should be credited short of these sums by the expense that would be incurred in remitting them in bullion to India.

In the account annexed to the Report of 1808, this expense has been (erroneously as it is conceived) deducted from the calculation of interest, instead of lessening the principal, as it is presumed is the fair and correct mode, and must have been so intended by the Committee.

This supposed error is corrected in the credit given to Government for the sum received in 1813; which accounts for the deduction mentioned in the paper.

The sum of 2,000,000 *l.* was received in 1813 in exchequer bills; so were many of the sums credited to Government in the account before the Committee in 1808. The observation that the sum of two millions was neither sent out in bullion, nor subject to expense of remittance, applies equally, therefore, to the sums in the former account which were received in exchequer bills; no expense was actually incurred in either instance. Yet the Committee of the House of Commons in 1808 thought it right that the receipts should be subject to the deduction, then stated to be 7,058 per cent.

In fact, as Government are credited with interest, at the Indian rates, from the end of the month in which payments are made, it seems but just that the principal should be credited only at the amount which it would produce if remitted in bullion to India, namely at a reduction equal to the expense of such remittance.

If this were not allowed, the receipts in exchequer bills from Government would be entitled only to interest allowed on such bills, and not to interest at the Indian rates.

4th. Saving of Interest to the Public by balancing the Account to January 1812, 450,000 *l.*

Unless the calculation upon which this sum is founded were known, it is not possible to offer any remark on the objection, otherwise than as regards the principle apparently involved in it.

By the account made up to January 1812, it appears that Government were indebted to the Company above a million, including interest, but without allowing anything from the Pay-office charges for objections, to which they were liable.

Unless the account had then been settled and the balance paid by Government, it does not seem reasonable that the interest should cease, according to the higher rates paid by the Company in the years included in the account; it is believed to be the ordinary practice among merchants and others, that if no settlement of an account to a given period takes place, the interest agreed on between the parties continues until it is settled.

But it is further to be observed, that in November 1815, the Lords of the Treasury acquiesced in the suggestion, that the account between His Majesty's Government and the Company should be made up to the 30th April 1815; thus superseding virtually the former order to make it up to January 1812.

5th. Claim for an Overcharge on account of the Shipping employed in the Expeditions against the French Islands and Java, estimated at 220,000 *l.*

It is impossible to offer any remark upon a claim so briefly stated.

6th. Claim for sequestered Property at the Cape, 100,000 *l.*

This item, it is believed, forms part of the Company's demand against Government. Upon what foundation the objection rests, is not mentioned; the sum stated exceeds the amount charged under this specific description, which is 36,720 *l.*, or, with interest, 88,000 *l.*

As the Company's property was lost, and Government held the Cape as a possession of the British nation, the Company's claim on them for reimbursement was considered to be well founded.

6th. Continuation of the Account as to India up to April 1822, of the Paymaster-general's Account to December 1821, would make a difference in favour of the Public of 150,000 *l.*

This, as to the Indian accounts, can be only conjecture; the Pay-office charges for 1821, amount to 227,000 *l.*; but time has not been allowed since they were received here, to examine whether they are not liable to similar objections to those of former years.

7th. Further Deductions for Spices in the Company's Warehouses, 185,646 *l.*,—

Does not seem to require any observation.

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8th. Public Property at St. Helena, to be made over to the Company.

The value of such property cannot be ascertained, but it may be a question if it will amount to 69,000 *l.*, as seems to be calculated; and it is to be remembered, that the Company have further claims for St. Helena subsequent to April 1821.

Under the foregoing remarks, the balance now due to the Company will, it is presumed, be more than 1,500,000 *l.* exclusive of the old balance for Ceylon, &c. and even admitting that the greater part of the objections made are valid.

On a consideration of this Memorandum the following Minute was transmitted to the Chairman and Deputy Chairman; viz.

Fife House, 24th May 1822.

The Earl of Liverpool and the Chancellor of the Exchequer, having fully considered the observations delivered to them yesterday by the Chairman and Deputy Chairman of the East India Company, propose to them as a final settlement of all accounts, (except as hereafter excepted,) to the 30th April 1822; that the Public shall pay to the Company the sum of 1,200,000 *l.*, to be applied in part discharge of the loan raised for the East India Company in 1812, and to relinquish the right of the Government to any stores or other public property remaining in the island of St. Helena; but that the Company shall, notwithstanding this settlement, retain their right to any sums due from the Navy Board, for stores supplied, or on account of interest due thereupon; and that the spices belonging to the Crown, and in the possession of the East India Company, together with the proceeds of such as may have been sold, shall not be included in this arrangement.

To this proposition the following reply was received, and a further conference held.

The Chairman and Deputy Chairman of the East India Company have the honour to acknowledge a communication from the Earl of Liverpool and the Chancellor of the Exchequer, under date this day, stating, that having fully considered the observations delivered to them on the 23d ultimo by the Chairs, they propose, as a final settlement to the 30th April 1822, the payment to the Company by the Public of the sum of 1,200,000 *l.* to be applied in part discharge of the loan raised in 1812, for the East India Company, and to relinquish the right of the Government to any stores or other public property remaining on the island of St. Helena; but that the Company shall, notwithstanding this settlement, retain their right to any sums due from the Navy Board for stores supplied, or on account of interest due thereon; and that the spices belonging to the Crown, and in the possession of the Company, together with the proceeds of such as may have been sold, shall not be included in this arrangement.

The Chairman and Deputy Chairman, fully appreciating the disposition evinced by His Majesty's Government, to come to a fair and equitable adjustment of the existing account between the Public and the Company, indulge a sanguine expectation that Lord Liverpool and the Chancellor of the Exchequer, on referring to the grounds urged by the Chairman and Deputy Chairman (at the interviews with which they have been honoured) in support of the claim preferred by the Company, will be disposed, either to grant to the Company the spices now in the warehouse belonging to the Crown, in addition to the sum of 1,200,000 *l.*; or, in the event of the transfer of that property, (which in the opinion of the Chairs, from the delay which must necessarily occur in realizing its amount, can be valued at little more than 100,000 *l.*), being deemed inexpedient that the sum of 1,300,000 *l.* may be named as the final amount to be granted to the Company in liquidation of their claims.

The Chairman and Deputy Chairman defer pressing on Lord Liverpool and the Chancellor of the Exchequer the additional arguments which present themselves in support of the above-mentioned proposition, until they shall have an opportunity of personally stating the same.

East India House, the 24th May 1822.

UPON full consideration of this important subject, the Earl of Liverpool and the Chancellor of the Exchequer, being deeply impressed that it is for the common benefit of the Public and the East India Company, that these long outstanding claims should be brought to an immediate and final settlement, recommend to the Board to consent to propose to Parliament, that the Public shall pay to the Company the sum of 1,300,000 *l.*, and relinquish the right of Government to any stores or other public property remaining in the island of St. Helena. The above sum to be considered as closing the accounts between the Government and East India Company to 30th April 1822, and to be applied in part discharge of the loan raised for the East India Company in 1812.

It being further to be understood, that the Company shall, notwithstanding this settlement, retain their right to any sums due from the Navy Board for stores supplied, or on account of interest due thereupon, and that the spices belonging to the Crown and in the possession of the East India Company, together with the proceeds of such as may have been sold, shall not be included in this arrangement.

My Lords entirely concur in the view taken by the Earl of Liverpool and the Chancellor of the Exchequer of this important subject; and are pleased to direct a letter to be written to the Chairman and Deputy Chairman of the East India Company accordingly.

Copy LETTER from the Chairman and Deputy Chairman of the East India Company,
to S. R. Lushington, Esq.

Settlement of
Accounts between
the Public and East
India Company, in
1822.

Sir,

East India House, 1st June 1822.

WE have the honour to acknowledge your letter of 28th ult., conveying the proposals of His Majesty's Government, in regard to the settlement of the outstanding accounts between the Public and the East India Company.

We have submitted these proposals to the consideration of the Court of Directors; who being equally impressed with the Lords Commissioners of His Majesty's Treasury, that it is for the common benefit of the Public and the East India Company, that these outstanding claims should be brought to an immediate and final settlement, have authorized us to agree to the proposed terms of adjustment:—These terms the Court understand to be as follows:

That the Public shall pay to the East India Company the sum of 1,300,000 *l.*; and relinquish the right of Government to any stores or other public property remaining in the island of St. Helena:—

The above sum to be considered as closing the accounts between the Public and the East India Company to 30th April 1822, and to be applied in part discharge of the loan raised for the East India Company in 1812:—

It is further understood, that the Company shall, notwithstanding this settlement, retain their right to any sums due from the Navy Board, for stores supplied, or on account of interest due thereupon, and the amount of bills of exchange drawn or to be drawn from India in the Company's favour on the Government offices, for the current services of the Public in India, prior to the 30th April 1822; and, on the other hand, that the spices belonging to the Crown and in possession of the East India Company, together with the proceeds of such as may have been sold, or unaccounted for, by the Company, shall not be included in this arrangement.

We have the honour to be, Sir,

Your most obedient humble servants,

Stephen Rumbold Lushington, Esq.

(signed)

J. Pattison.

&c. &c. &c.

W. Wigram.

Copy TREASURY MINUTE, dated 7th June 1822.

MY LORDS having considered the above letter from the Chairman and Deputy Chairman of the East India Company, and having carefully reviewed all the circumstances adverted to in the several conferences and communications which have taken place, for the adjustment of the accounts between the Public and the East India Company, will submit to Parliament the expediency of sanctioning the immediate and final settlement of those accounts to the 30th April 1822, on the terms agreed upon, as recapitulated in the said letter.

Let this decision be communicated to the Chairman and Deputy Chairman of the East India Company, for the information of the Court of Directors.

Copy TREASURY MINUTE, 28th June 1822.

THE Chancellor of the Exchequer lays before the Board a letter which he has received from the Secretary to the Commissioners for the Reduction of the National Debt, containing an account of the value of the stock remaining unredeemed on the 1st of this month, on account of the loan of 2,500,000 *l.* raised for the East India Company in 1812, and with reference to the Minute of this Board of 28th May 1822. He recommends to the Board, that application should be made to Parliament (in consideration of the mutual extinction of all claims between Government and the East India Company to the 30th April last, as stated in the Minute of the Board of 7th instant), to make provision that the East India Company should, from and after the 5th July next, be relieved from all further charge on account of the said loan of 1812, by transferring the future charge thereof to the Consolidated Fund; and that the sum of 557,322 *l.* remaining to be paid by the East India Company, to complete the sum of 1,857,322 *l.*, being the estimated value of the stock remaining unredeemed, should be applied to the service of the year 1822.

The Board approve thereof, and direct that application be made to Parliament accordingly.

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Settlement of
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(Copy.)

Sir,
AGREEABLY to the directions which I had the honour to receive last week, the Accountant-general of the East India Company and myself have agreed in the value of the unredeemed debt due from the Company, on the 1st instant; and I have the honour to enclose our joint certificate of such value, for your information, a duplicate of which is in the possession of the Accountant-general of the East India Company.

I have the honour to be, Sir, with great respect,

Your most faithful and obedient servant,

The Right Honourable
The Chancellor of the Exchequer,
&c. &c. &c.

S. Higham.

Appendix, No. 9.

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

STATEMENT, for the Purpose of reconciling the View given in the GENERAL CASH dated 2d April 1832, of DEBT INCURRED in that Period, with the INCREASE of DEBT QUICK STOCK ACCOUNTS of

GENERAL CASH RESULT OF ALL INDIA.

	£.
The difference between Debt incurred and paid off, including Oude cancelled Loan and Commissioners for the Redemption of Debt, is stated in this Account at - - - - -	17,289,864
Deduct, The Oude cancelled Loan, left out of the Quick Stock on the liability of the Company for the amount ceasing by the cession of territory to the King of Oude - - - - -	1,109,975
The augmentation of the Cash Balances of the three Presidencies between 1814 and 1829 - - - - -	1,771,745
	2,881,720
	14,408,144
Add, The amount by which the Debt incurred has been reduced in the Cash View in consequence of the deduction therefrom, of the excess of the Debits and Credits in Bengal Receipts and Disbursements, under the head of "Bills Outstanding," which item appears to comprise principally unadjusted expenditure - - - - -	912,982
	£. 15,321,126

(Copy.)

WE do hereby certify, that the amount of the unredeemed debt due by the East India Company on the 1st day of June 1822, was 380,794*l.* consolidated 3*l.* per cent annuities, and 1,984,745*l.* reduced 3*l.* per cent annuities, which, calculated at the medium price of those respective stocks on the 1st instant, amounts to 1,857,322*l.* sterling.

28th June 1822.

Tho^s G. Lloyd,Acc^t Gen^l to East India Company.

S. Higham,

Sec^y to the Commissioners for the
Reduction of the National Debt.

Appendix, No. 8.

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Appendix, No. 9.

RESULT of the FINANCIAL TRANSACTIONS of all *India*, from 1814-15 to 1828-29, (from Cash Transactions) for the like Period, deducible from a Comparison of the 30th April 1814 and 30th April 1829.

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

COMPARISON OF QUICK STOCKS, 30th April 1814 and 30th April 1829.

		£.	£.
BENGAL:			
1814: Debts (1) S.Rs. 21,94,61,085 (col. 1)	£. 25,457,485		
Assets (2) - 2,11,75,961 (d°)	2,456,411		
Net Debts - - -		23,001,074	
1829: Debts (3) S.Rs. 35,09,77,435 (col. 1)	£. 40,713,382		
Assets (4) - 2,91,81,894 (d°)	3,385,100		
Net Debts - - -		37,328,282	
Increase of Debt at Bengal		- - -	14,327,208
MADRAS:			
1814: Debts (5) Pags. 46,51,087 a' 8s. (col. 1)	£. 1,860,434		
Assets (6) - 66,79,051 - (d°)	2,671,620		
Net Assets - - -		811,186	
1829: Debts (7) M.Rs. 3,24,72,394 a' 2s. 3 <i>d.</i> (col. 1)	£. 3,711,130		
Assets (8) - 2,40,66,055 a' - (d°)	2,750,407		
Net Debts - - -		960,723	
Increase of Debt at Madras		- - -	1,771,909
BOMBAY:			
1814: Debts (9) B.Rs. 34,39,926 a' 2s. 3 <i>d.</i> (col. 1)	£. 386,992		
Assets (10) - 50,10,164 - (d°)	563,643		
Net Assets - - -		176,651	
1829: Debts (11) B.Rs. 69,81,417 a' 2s. 3 <i>d.</i> (col. 1)	£. 785,409		
Assets (12) - 1,58,15,479 - (d°)	1,779,241		
Net Assets - - -		993,832	
Deduct, Decrease of Debt at Bombay		- - -	817,181
Net Increase of Debt at the three Presidencies		- - -	£. 15,281,936

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

No. 1.—BENGAL.

DEBTS, 1814.

	Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
CIVIL DEPARTMENT:		
General:	S. Rs.	S. Rs.
8 per Cent. Loan of 30 April 1811 - - - - -	46,26,000	
6 - - ditto - - 1 January 1811 - - - - -	8,30,461	
6 - - ditto - - payable in 7 years - - - - -	6,46,746	
6 - - ditto - - - - ditto - - - - -	38,11,923	
6 - - ditto - - 30 June 1811 - - - - -	14,32,27,300	
6 - - ditto - - 30 June 1813 - - - - -	5,34,96,700	
6 - - ditto - to be dated 30 June 1814 - - - - -	42,25,600	
Interest thereon estimated to have accrued - - - - -	-	41,55,614
Promissory notes, at 6 per cent., granted to the prize agents for the capture of Java - - - - -	18,04,870	
Interest thereon, estimated at - - - - -	-	1,65,800
Treasury notes, at 5 per cent. - - - - -	5,500	
Ditto - at 6 per cent. - - - - -	1,88,100	
Interest estimated at - - - - -	-	3,872
Bills outstanding on account of the other Presidencies - - - - -	-	27,04,905
Mint certificates - - - - -	-	39,443
Deposits of the General Treasury - - - - -	1,16,714	
Ditto - of the Supreme Court - - - - -	1,010	
Ditto - of the Lucknow Treasury - - - - -	1,518	
Ditto - of the late Mayor's Court - - - - -	90,457	
Bonds and notes ordered for payment but not demanded - - - - -	5,22,902	
Interest estimated - - - - -	-	75,243
Due to the assistant in charge of the stationery - - - - -	4,573	
Due to the Military Orphan and Widows' Fund - - - - -	3,381	
Due to R. Bathurst from the Lucknow Treasury - - - - -	548	
Civil Fund - - - - -	2,394	
Mysore Princes - - - - -	-	5,60,009
Remittance offered by the General Letter of 17 September 1795 - - - - -	-	1,873
Committee for improving the town of Calcutta - - - - -	87,625	
Rajah Sookmoy's donation for constructing a road towards Jug- gernauth - - - - -	73,764	
Subscriptions for the benefit of the widows and orphans of the Native and European soldiers who fell in the war with Tippoo - - - - -	4,300	
Arrears of allowances on 30 April 1814 - - - - -	-	12,50,000
Judicial:		
Deposits in the different courts, belonging to individuals - - - - -	10,22,943	
Collector of customs at Mirzapore - - - - -	14,353	
Ditto - - - ditto - - bearing interest - - - - -	1,29,572	
* Arrears of allowances on 30 April 1814, including unadjusted advances - - - - -	-	22,685
* Bills payable on account of judicial remittances of the years 1812-13 and 1813-14 - - - - -	-	13,00,000
Revenue:		
Deposits of the Revenue Department - - - - -	30,89,739	
Ditto - - - ditto - - - bearing interest - - - - -	97,748	
Bills payable on account of remittances of the Revenue Department of 1797-98, 1801-2, and 1805-6 to 1813-14 - - - - -	-	13,69,717
Arrears of allowances on 30 April 1814, including pensions to Scindia, Sudars, &c. - - - - -	-	16,00,000
Marine Department:		
Deposits of the Marine Pay-office - - - - -	21,451	
10 per cent. deposit on account of outward pilotage - - - - -	24,185	
Ditto - - - on account of wages - - - - -	43,981	
Arrears of allowances on 30 April - - - - -	-	1,76,653
Salt:		
Debts due on sundry accounts - - - - -	-	3,00,248
Arrears, commission, &c. - - - - -	-	1,67,665
Opium:		
Arrears of commission, &c. - - - - -	-	1,23,224

MILITARY DEPARTMENT:				Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
Arrears due to the Army on 30 April 1814:					
From the office of Paymaster to King's Troops	-	-	2,87,000	S. Rs.	S. Rs.
Ditto - of Artillery and Garrisons	-	-	7,62,740		
Ditto - deficiency ditto at Berhampore and Dinapore	-	-	1,22,355		
From Paymaster at Chunar	-	-	3,33,000		26,24,398
Ditto - at Cawnpore	-	-	4,52,000		
Ditto - at Meerut	-	-	3,71,000		
Ditto - at Muttra	-	-	2,96,303		
Deposit for ordnance and military stores	-	-	-	2,87,122	
Off-reckoning Fund	-	-	-	-	22,34,880
Bills payable	-	-	-	-	15,19,773
Military Prize Fund	-	-	-	8,99,817	
Rohilla Donation of 1774 and 1794	-	-	-	9,947	
Unclaimed shares of ditto of 1774	-	-	-	47,841	
Unclaimed balances	-	-	-	-	4,76,220
				S. Rs. 21,94,61,085	2,08,72,222

No. 2.—BENGAL.

ASSETS, 1814.

CIVIL DEPARTMENT:				Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
General:				S. Rs.	S. Rs.
Treasury: Cash	-	-	-	51,25,630	
Bank of Bengal: Ditto, one hundred shares, the property of the Company	-	-	-	10,00,000	
Interest thereon, estimated at	-	-	-	-	33,333
Mint at Presidency: Cash	-	-	-	12,13,181	
Balance of Mr. Foster's bullion account	-	-	1,94,105		
Deduct, received from refiners, &c.	-	-	46,653		
Remittances on the way from Moorshedabad, Behar, &c.	-	-	-	1,48,252	
Mint at Benares	-	-	-	1,44,019	
Ditto at Furruckabad	-	-	-	10,544	
Governor-general	-	-	-	9,284	
Postmaster-general	-	-	-	2,97,121	
Resident at Delhi	-	-	-	54,900	
Resident at Vizier's Court	-	-	-	11,56,751	
Commissioners at Seerampore	-	-	-	1,26,625	
Commissary at Chinsurah	-	-	-	398	
Superintendent at Chundernagore, ditto	-	-	-	2,802	
Secretary to the College Council, ditto	-	-	-	497	
Company's attorney	-	-	-	3,891	
				10,000	
Debts:					
William Cowper	-	-	-	6,900	
Loan to justices of the peace	-	-	-	1,83,163	
Musters of coin	-	-	-	277	
Managers of the Rampore Jageer	-	-	-	3,014	
Loan to Syed Moorteza Khan	-	-	-	19,669	
His Highness the Nawaub Syed Zein Ood Deen Ali Khaun	-	-	-	7,808	
Rajah of Nepaul	-	-	-	95,550	
Loan to Vakeel of ditto	-	-	-	12,000	
Nawaub Nusseer Ool Moolk	-	-	-	34,985	
French Government	-	-	-	60,217	

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FINANCE.

Appendix, No 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

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						Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims, not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
						S.Rs.	S.Rs.
CIVIL DEPARTMENT—continued.							
Stores :							
Stationery -	-	-	-	-	-	-	21,900
Stores in the Dispensary	-	-	-	-	-	-	1,57,308
Judicial :							
Justices of the peace for the town of Calcutta	-	-	-	-	-	14,507	
Court of Requests	-	-	-	-	-	350	
Mofussil	-	-	-	-	-	1,85,622	
Unadjusted Advances	-	-	-	-	-	-	9,84,071
Judicial Remittances of 1812-13, 1813-14	-	-	-	-	-	27,146	
Revenue :							
Cash -	-	-	-	-	-	80,17,702	
Unadjusted Advances	-	-	-	-	-	-	12,36,220
Advances on account of unadjusted Civil and Military disbursements, on 30th April 1806	-	-	-	-	-	-	2,27,147
Remittances of the Revenue Department of the year 1796-7, 1804-5, 1809-10, 1812-13, and 1813-14	-	-	-	-	-	5,10,263	
Revenues of the current year	-	-	-	-	-	-	14,55,721
	-	-	-	-	-	-	13,73,224
	-	-	-	-	-	-	17,98,841
Revenues of former years, deemed recoverable	-	-	-	-	-	-	1,17,195
	-	-	-	-	-	-	5,96,492
	-	-	-	-	-	-	3,79,285
Calary Rents of 1220 B. S. expected to be realized	-	-	-	-	-	-	75,000
Tuckavee advances, deemed recoverable	-	-	-	-	-	-	17,000
	-	-	-	-	-	-	5,95,331
	-	-	-	-	-	-	2,17,008
Debts :							
Richard Ahmuty, late Collector of Allahabad	-	-	-	-	-	9,748	10,032
Rajah Kurrendernarain of Cooch Behar	-	-	-	-	-	16,500	
Customs, cash	-	-	-	-	-	1,76,473	
Salt - ditto	-	-	-	-	-	3,66,181	
Ditto, in store	-	-	-	-	-	-	22,00,034
Ditto, Debts, viz. :							
Advances for Bengal salt and charges	-	-	-	-	-	-	21,88,315
Ditto - Coast salt contractors	-	-	-	-	-	-	5,725
Outstanding balance	-	-	-	-	-	-	911
Due from purchasers of salt at the sales in March 1814	-	-	-	-	-	-	15,75,141
Opium, cash	-	-	-	-	-	72,092	
Ditto, store	-	-	-	-	-	-	16,606
Ditto, Debts, viz. :							
Due from purchasers of opium at sale in February last	-	-	-	-	-	-	5,87,876
Advances for Behar opium in 1813-14	-	-	-	-	-	-	4,71,342
Ditto - Benares ditto - ditto	-	-	-	-	-	-	89,918
Marine :							
Cash in hands of Marine Paymaster and Naval Storekeeper, on 30th April 1814	-	-	-	-	-	3,933	
In the Naval Store Warehouse	-	-	-	-	-	-	5,46,359
Stores sent without deposit, by order of the Governor-general, to captains of " Sea Otter," and " Nootka"	-	-	-	-	-	-	11,211
MILITARY DEPARTMENT :							
Cash in hands of Paymaster to Artillery and Garrisons	-	-	-	-	-	-	
Ditto - ditto - King's Troops	-	-	-	-	-	-	
Ditto - Deputy Paymaster at Berhampore and Dinapore	-	-	-	-	-	-	
Ditto - ditto - Chunar	-	-	-	-	-	-	
Ditto - ditto - Cawnpore	-	-	-	-	-	-	
Ditto - ditto - Meerut	-	-	-	-	-	-	
Ditto - ditto - Muttra	-	-	-	-	-	-	
Ditto - ditto - and Extraordinary	-	-	-	-	-	-	
Ditto - Major Weguelin, Commissary-general	-	-	-	-	-	-	

MILITARY DEPARTMENT—continued.

	Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
	S.Rs.	S.Rs.
Stores and Cattle:		
Amount of elephants purchased - - - - -	- - - - -	3,12,226
Ditto - camels - - - - -	- - - - -	2,25,394
Ditto - horse and horse accoutrements - - - - -	- - - - -	22,80,364
Ditto - bullocks - - - - -	- - - - -	1,87,921
Board of Superintendence for improving the breed of cattle - - - - -	- - - - -	19,33,900
Stores in the Arsenal and subordinates - - - - -	- - - - -	40,00,000
Ditto, lent to country ships - - - - -	- - - - -	2,21,606
Advance for stores - - - - -	- - - - -	7,76,486
Depôt at Anoopshire - - - - -	- - - - -	7,332
Debts:		
Contractors for clothing the army - - - - -	- - - - -	8,30,480
Advances to individuals - - - - -	- - - - -	21,939
Orphan Fund - - - - -	66,517	
Army contractors - - - - -	- - - - -	85,925
Stock Account - - S.Rs. 4,90,48,080 -	2,11,75,961	2,78,72,119

No. 3.—B E N G A L.

DEBTS, 1829.

	Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
	S.Rs.	S.Rs.
CIVIL DEPARTMENT:		
General:		
Six per Cent. Loan of 30th June 1822 - - - - -	7,47,11,200	
Ditto - - - from his Excellency the Vizier - - - - -	56,39,089	
Ditto - - - renewed for a further term of seven years - - - - -	6,68,292	
Five per Cent. Loan of 31st March 1823 - - - - -	9,16,95,500	
Four per Cent. Loan, opened the 13th September 1824 - - - - -	12,31,100	
Five per Cent. Loan, opened the 19th May 1825 - - - - -	9,41,54,300	
Four per Cent. Loan, of 1828-29 - - - - -	9,42,200	
Interest thereon, estimated at - - - - -	- - - - -	31,16,512
Treasury Notes, at 8 per cent. - - - - -	4,61,600	
Interest thereon, estimated at - - - - -	- - - - -	4,763
Treasury Notes, at 5 per cent. - - - - -	5,97,300	
Interest thereon, estimated at - - - - -	- - - - -	44,797
Treasury Notes, at 5 per cent. for two years - - - - -	1,73,080	
Interest thereon, estimated at - - - - -	- - - - -	1,356
Treasury Notes, at 5 per cent. for 18 months - - - - -	1,91,100	
Interest thereon, estimated at - - - - -	- - - - -	4,778
Treasury Notes, at 5 per cent. for six months - - - - -	4,700	
Interest thereon, estimated at - - - - -	- - - - -	117
Treasury Notes, at 2½ pice per cent. per diem - - - - -	4,700	
Interest thereon, estimated at - - - - -	- - - - -	173
Treasury Notes, at 2 pice per cent. per diem - - - - -	13,08,600	
Interest thereon, estimated at - - - - -	- - - - -	9,939
Bonds, notes, &c. ordered for payment, but not demanded - - - - -	4,63,134	
Interest thereon, estimated at - - - - -	- - - - -	40,543
Six per Cent. Loans ordered for payment, but not demanded - - - - -	4,70,400	
Interest thereon, estimated at - - - - -	- - - - -	14,112
Six per Cent. Notes issued to the prize agents for captors of Java - - - - -	3,22,016	
Her late Highness the Bhow Begum's Stipend Fund - - - - -	55,98,435	
Loan from His Majesty the King of Oude - - - at 5 per cent. - - - - -	1,55,39,650	
Ditto - Scindiah's Government - - - - - ditto - - - - -	60,22,585	
Ditto - Rajah Kurn Sing, of Puttialla - - - - - ditto - - - - -	19,13,750	

(continued)

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APPENDIX TO REPORT FROM SELECT COMMITTEE [II. Finance.

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

CIVIL DEPARTMENT—continued.

	Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
	S. Rs.	S. Rs.
General :		
Loan from Luchmeechand and Manneeram - - - at 5 per cent.	11,48,250	
Ditto - Rajah of Nagpore - - - ditto -	5,24,000	
Ditto - W. A. Brooke, as Agent to the Governor- General - - - - - ditto -	2,44,003	
Ditto - Nowab Ahmed Buksh Khan - - - ditto -	2,39,219	
Ditto - Rajah Kallishunker Ghosaub - - - ditto -	45,930	
Ditto - Moulory Mooneer Ally - - - ditto -	38,275	
Ditto - Mobaruck Ool Nissa Begum - - - at 4 per cent.	16,267	
Interest thereon, estimated at - - - - -	-	6,33,213
Loan at 10 per cent., transferred from Fort Marlbro' - - -	18,505	
Interest thereon, estimated at - - - - -	-	925
Bhurlpore captured property - - - - -	7,77,229	
Deccan Prize Fund - - - - -	-	
Interest at 5 per cent. from 1st February 1828 } as made up }	21,28,115	
Trustees of the Deccan Prize Booty - - - } in England }	-	
Interest at 5 per cent. from 1st February 1828 }	-	8,49,995
Bills payable on account of the other Presidencies - - -	-	
Deposits of the General Department - - - - -	8,91,743	
Ditto - Supreme Court - - - - -	1,010	
Ditto - Mayor's Court - - - - -	90,457	
Ditto - Lower Orphan School - - - - -	9,832	
Ditto - Lucnow Treasury - - - - -	548	
Mint certificates, outstanding - - - - -	-	4,16,057
Due to the Mysore Princes - - - - -	-	19,88,669
Ditto - Civil Fund - - - - -	48,394	
Ditto - Managers and Trustees of the Civil Fund - - -	1,177	
Ditto - Civil Service Annuity Fund - - - - -	30,25,332	
Ditto - Bengal Military Fund - - - - -	3,751	
Ditto - Military Orphan Fund - - - - -	59,166	
Ditto - Bencoolen ditto - - - - -	6,049	
Ditto - Nizamut Stipend ditto - - - - -	3,24,126	
Ditto - Syed Moortez at Khan - - - - -	2,400	
Ditto - William Fitzmaurice - - - - -	2,368	
Assistant in charge of the stationery - - - - -	2,026	
Collector of stamps - - - - -	1,967	
Construction of a new road from Cossipore to Dum Dum - -	-	40,000
Due to Scindiah's auxiliary horse - - - - -	65,098	
Arrears of allowances - - - - -	-	20,00,000
Judicial :		
Deposits in the different Courts, belonging to individuals -	52,27,852	
Bills payable on account of remittances - - - - -	-	3,84,873
Arrears of allowances, including unadjusted advances - -	-	28,13,709
Revenue :		
Deposits of the Revenue Department - - - - -	87,12,591	
Ditto - - - of - ditto - - - bearing interest - - -	3,021	
Bills payable on account of remittances of the Years 1806-7 to 1828-29 - - - - -	-	18,99,998
Arrears of allowances, including pensions payable to Scindiah, &c., and unadjusted advances - - - - -	-	65,83,000
Debts :		
Rajah Hurrendernam, of Cooch Behar - - - - -	500	
- Burrodakanth Roy, of Jessore - - - - -	16,500	
Customs :		
Deposits of the Revenue Department - - - - -	1,82,197	
Bills payable on account of remittances - - - - -	-	63,149
Arrears of allowances, &c. - - - - -	-	1,92,000
Revenue :		
Salt, due on sundry accounts - - - - -	-	1,97,566
Arrears of allowances, commission, &c. - - - - -	-	2,21,217
Opium, arrears of allowances, commission, &c. - - - -	-	1,55,486

CIVIL DEPARTMENT—continued.					Items falling under the description of Debt Incurred in the Cash View.	Other Items exclusive of such as have been rejected in the Home Adjustment.
Marine :					S. Rs.	S. Rs.
Deposits in the Marine Pay Office	-	-	-	-	6,451	
Ditto - - Registry Office	-	-	-	-	1,07,036	
Ditto on account of wages	-	-	-	-	65,229	
Ditto at 10 per cent. on account of pilotage	-	-	-	-	70,356	
Marine Pension Fund	-	-	-	-	1,13,106	
Arrears of allowances, &c.	-	-	-	-	-	1,11,557
MILITARY DEPARTMENT :						
Arrears due the Army from Paymaster to King's Troops	-	-	-	-	-	2,23,000
Ditto - - - - ditto - Artillery and Garrisons	-	-	-	-	-	8,09,440
Ditto - - - - Deputy Paymaster at Benares	-	-	-	-	-	5,02,400
Ditto - - - - ditto - Cawnpore	-	-	-	-	-	5,40,646
Ditto - - - - ditto - Dinapore	-	-	-	-	-	2,50,900
Ditto - - - - ditto - Meerut	-	-	-	-	-	5,00,648
Ditto - - - - ditto - Muttra	-	-	-	-	-	3,89,265
Ditto - - - - ditto - Rajpootana	-	-	-	-	-	3,36,445
Unadjusted advances	-	-	-	-	-	73,24,039
Off-reckoning Funds	-	-	-	-	-	30,86,408
General Off-reckoning Fund of the three Presidencies	-	-	-	-	-	17,862
Bills payable	-	-	-	-	-	14,19,427
Cash deposits of Ordnance and Military Stores	-	-	-	-	2,42,841	
Unclaimed balances	-	-	-	-	-	5,55,098
Rohilla Donations of 1774 and 1794	-	-	-	-	9,946	
Unclaimed shares of Rohilla Donation of 1774	-	-	-	-	47,841	
Prize Funds	-	-	-	-	3,47,237	
Sinking Fund	-	-	-	-	2,39,96,763	
S. Rs. - -					*35,09,77,435	*3,77,44,082

* Amount per Account of Stock per Computation for 1829, India and England,
(Appendix, No. 18.) S.Rs. 39,03,07,152
Difference arising from the Total Balance in favour of the Deccan Prize Fund
being included in the Stock Account, whereas in this Statement the sum
charged on the Revenues only is included 15,85,635
S.Rs. 38,87,21,517

No. 4.—B E N G A L.

ASSETS, 1829.

CIVIL DEPARTMENT :					Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims, not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
General :					S. Rs.	S. Rs.
Treasury :						
Cash - - - - -	-	-	-	-	30,62,040	
Bank of Bengal :						
One hundred shares, property of the Company	-	-	-	-	10,00,000	
Interest thereon, estimated at	-	-	-	-	-	47,917
Mint at the Presidency :						
Cash - - - - -	-	-	-	-	11,80,641	
Mint at Benares :						
Cash - - - - -	-	-	-	-	56,522	
Unadjusted advances	-	-	-	-	-	9,695
Remittances from Presidency, Mint not credited	-	-	-	-	6,88,983	
Mint at Saugore :						
Cash - - - - -	-	-	-	-	1,13,422	
Unadjusted advances	-	-	-	-	-	2,840

FINANCE.

Statement of Debts
and Assets in India,
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[II. Finance.

CIVIL DEPARTMENT—continued.		Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims, not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
		S. Rs.	S. Rs.
Governor-general :			
Cash -	- - - - -	17,93,912	
Unadjusted advances -	- - - - -	-	11,39,471
Postmaster-general :			
Cash -	- - - - -	23,629	
Unadjusted advances -	- - - - -	-	22,754
General :			
Resident at Lucnow :			
Cash -	- - - - -	10,87,886	
Unadjusted advances -	- - - - -	-	18,933
Secretary at the College Council :			
Cash -	- - - - -	1,353	
Unadjusted advances -	- - - - -	-	3,000
Company's Attorney :			
Cash -	- - - - -	10,000	
Collector of Stamps :			
Cash -	- - - - -	5,796	
Debts :			
Loan to writers attached to the College	- - - - -	3,01,987	
Loan to Nowab Mehendee Qoolee Khan	- - - - -	7,500	
Musters of coin -	- - - - -	1,829	
Committee for improving the town of Calcutta	- - - - -	7,01,062	
Manager of the Rampore Jagheer	- - - - -	4,071	
Pensioners of the Netherlands Government	- - - - -	17,020	
Court of Wards -	- - - - -	7,824	
Bhurtpore Government	- - - - -	-	16,78,818
Interest thereon, estimated at	- - - - -	-	2,00,000
Stores :			
Stationery	- - - - -	-	91,364
Stores in the Dispensary	- - - - -	-	1,20,000
Judicial :			
Cash -	- - - - -	11,684	
Court of Requests :			
Cash -	- - - - -	1,276	
Mofussil			
Cash -	- - - - -	1,86,293	
Unadjusted advances -	- - - - -	-	14,13,709
Judicial remittances	- - - - -	5,06,769	
Revenue :			
Cash -	- - - - -	1,39,01,461	
Unadjusted advances -	- - - - -	-	44,83,954
Remittances	- - - - -	27,24,619	
Revenues of the current year, Lower Provinces	- - - - -	-	33,55,944
Ditto - - - - - Western ditto	- - - - -	-	38,97,616
Ditto of former years deemed recoverable, Lower Provinces	- - - - -	-	3,71,512
Ditto - - - - - ditto - - - - - Western ditto	- - - - -	-	2,74,037
Tuckavee	- - - - -	-	16,65,142
Debt, Richard Ahmuty, late collector of Allahabad	- - - - -	9,748	
Customs :			
Cash -	- - - - -	68,684	
Unadjusted advances -	- - - - -	-	36,169
Remittances	- - - - -	1,27,346	
Salt :			
Cash -	- - - - -	2,74,262	
Unadjusted advances -	- - - - -	-	4,91,928
In store	- - - - -	-	26,33,159
Debts	- - - - -	-	62,60,721
Opium :			
Cash -	- - - - -	3,11,393	
Unadjusted advances -	- - - - -	-	12,52,656
In store	- - - - -	-	1,09,256
Debts	- - - - -	-	71,92,197

CIVIL DEPARTMENT—continued.

	Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
	S. Rs.	S. Rs.
Marine:		
Cash - - - - -	2,695	
Unadjusted advances - - - - -		24,88,325
Stores in the naval store warehouse - - - - -		7,74,492
Ditto lent without deposit to "Sea Otter" and "Nootka" - - - - -		11,211
MILITARY DEPARTMENT:		
Cash in hands of Paymaster to King's Troops - - - - -	2,847	
Ditto - - ditto - - Artillery and Garrisons - - - - -	89,609	
Ditto - - ditto - - at Benares - - - - -	37,083	
Ditto - - ditto - - Cawnpore - - - - -	4,009	
Ditto - - ditto - - Dinapore - - - - -	4,264	
Ditto - - ditto - - Meerut - - - - -	9,713	
Ditto - - ditto - - Muttra - - - - -	15,109	
Ditto - - ditto - - Rajpootana - - - - -	2,66,013	
Ditto - - officer in charge of military chest in Mhow - - - - -	48,606	
Ditto - - superintendents of stud at Buxar - - - - -	29,442	
Ditto - - supervisor of Hissar establishment - - - - -	32,654	
Ditto - - commissariat - - - - -	4,50,838	
Unadjusted advances - - - - -		34,72,306
Stores and Cattle:		
Elephants - - - - -		5,00,694
Camels - - - - -		16,66,774
Bullocks - - - - -		3,64,362
Horses - - - - -		78,10,405
Mules - - - - -		69,282
Board of Superintendence - - - - -		83,40,944
Clothing Board - - - - -		19,389
Stores in Arsenal and Subordinates - - - - -		40,00,000
Ditto lent to country ships - - - - -		1,70,848
Debts:		
Advances to individuals - - - - -		61,75,447
	S. Rs. 2,91,81,894	7,26,37,271

No. 5.—FORT ST. GEORGE.

DEBTS, 1814.

	Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
	Pags.	Pags.
GENERAL DEPARTMENT:		
8 per Cent. Perpetual Loans - - - - -	44,000	
6 per Cent. Old Bonds and Certificates outstanding - - - - -	40,568	
6 per Cent. Perpetual Loans - - - - -	29,894	
6 per Cent. Promissory Notes, on account of native servants pro- ceeding to England - - - - -	12,750	
Funds appropriated to objects of public and private charities, retained at interest - - - - -	2,80,103	
Amount of sundry Loans advertised for discharge, not yet paid off, the interest on which has ceased from their respective dates of notification for discharge - - - - -	99,714	
Interest on the above debts, estimated to 30th April 1814 - - - - -		6,330 (continued)

II.
FINANCE.

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Appendix, No. 9.
Statement of Debts
and Assets in India,
in 1814 and 1829.

	Items falling under the description of Debt Incurred in the Cash view.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
	Pags.	Pags.
GENERAL DEPARTMENT—continued.		
Deposit on account the Supreme Court - - - - -	46,736	
Ditto - - - the estate of military persons deceased - -	19,558	
Ditto - - - claims of individuals upon their Highnesses the late Nabobs of the Carnatic - - - - -	29,11,117	
Ditto by Messrs. G. Ricketts and John Shaw, as trustees of Miss Juliana Salmon - - - - -	600	
Balance due to the Government Bank - - - - -	5,53,733	
Ditto - - - Civil Fund - - - - -	19,043	
Ditto - - - Native Servants' Pension Fund - - - - -	1,35,303	
Ditto - - - Military Fund - - - - -	9,195	
Ditto - - - Medical Fund - - - - -	15,999	
Ditto - - - Madras Infirmary - - - - -	12,698	
Deposit made by Lieutenant-colonel Hastings Fraser, on account of Seringapatam prize agents - - - - -	47,596	
Ditto - - on account of the Travancore ditto - - - - -	34,038	
Ditto - - by the Military Board on account unadjusted claims of Bullock owners connected with agency of late Capt. Mackay - - - - -	180	
Ditto - - on account the Creditors of Mondaree Ud Dowlah, Masulipatam Nabob - - - - -	890	
Ditto - - ditto - estate of late Dr. Alexander Maconochie	14,895	
Ditto - - ditto - - - Admiral Drury - - - - -	2,393	
Ditto - - transferred from Commercial Department - - -	8,431	
Old 12 per Cent. Bonds undischarged, on which Interest ceased in 1792 - - - - -	307	
Old 8 per Cent. ditto - - - - ditto - - - ditto - 1793	22,940	
12 and 8 per Cent. Bonds, and 6 per cent. Hoghill Certificates ditto, at different periods - - - - -	22,997	
Notes issued at Cuddalore during a former war, outstanding - -	980	
Treasury Bills outstanding - - - - -	200	
Balance due the Government of Mysore - - - - -	1,09,247	
Revenue :		
Deposits at the Presidency and Subordinates - - - - -	1,47,781	
Zemindary pensions and charitable allowances - - - - -	-	25,995
MILITARY DEPARTMENT :		
Due for Off-reckonings of 1809 to 1812 - - - - -	-	4,78,218
Bazar Fund for 1807-8 - - - - -	Pags. 23,622	
Deduct, Payments on account of claims - - - - -	2,168	
	-	21,454
Military operations in Travancore and Cochin, balance remaining to be disbursed of the amount charged to those Governments on the other side - - - - -	-	31,806
Balance due the Paymaster in Mysore - - - - -	7,201	
	Pags. *46,51,087	*5,63,803

* Amount per Account of Stock per Computation for 1814, India and England,
(Appendix, No. 17.) - - - - - Pags. 58,89,893
Adjustment in Account of Carnatic Deposite - - - - - 6,75,003
Pags. 52,14,890

No. 6.—FORT ST. GEORGE.

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

ASSETS, 1814.

GENERAL DEPARTMENT:								Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims, not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
								<i>Pags.</i>	<i>Pags.</i>
Treasury	-	-	-	-	Cash	-	-	2,31,694	
Mint	-	-	-	-	ditto	-	-	3,73,610	
Postmaster-general	-	-	-	-	ditto	-	-	491	
Resident at Hyderabad	-	-	-	-	ditto	-	-	5,40,674	
Ditto - Mysore	-	-	-	-	ditto	-	-	6,159	
Ditto - Tanjore	-	-	-	-	ditto	-	-	938	
Ditto - Travancore,	-	-	-	-	ditto	-	-	39,878	
Paymaster of Stipends at Vellore,	-	-	-	-	ditto	-	-	10,628	
Masulipatam General Treasury	-	-	-	-	ditto	-	-	4,06,267	
Commission at Tranquebar	-	-	-	-	ditto	-	-	1,980	
Pix Box Cash	-	-	-	-	-	-	-	454	
Remittances in transitu, &c. on 30 April	-	-	-	-	-	-	-	7,78,430	
Debts not bearing Interest :									
Due by Rajah of Cochin, on account the Military Expenses of 1808-9	-	-	-	-	-	-	-	-	1,50,873
Ditto from late Rajah Mohiput Ram	-	-	-	-	-	-	-	28,571	
Advances to officers and servants of his Highness Nabob Omdut Ool Omrah, to be adjusted on settlement of the Carnatic Debts	-	-	-	-	-	-	-	1,39,812	
Bunjaries with the Hyderabad Subsidiary Force	-	-	-	-	-	-	-	-	6,522
Deposit on account filing the Bill of Interpleader in late Recorder's Court, against Sunwoo Chinna, Kistnannah Chitty and others	-	-	-	-	-	-	-	15,828	
Stores and Grain :									
Medicines, &c. in the Dispensary at Madras and the Subordinates, 30 April 1814	-	-	-	-	-	-	-	-	28,363
Revenue :									
Cash	-	-	-	-	-	-	-	32,22,953	
Revenue balances	-	-	-	-	-	-	-	-	36,22,584
Tuckavy advances	-	-	-	-	-	-	-	-	2,39,586
Debts, viz. :									
Pensions to late Zemindar of Kemidy and Juggernaut, Deo, &c. at Masulipatam	-	-	-	-	-	-	-	22,788	
Due from Mr. Casanew, on account of Paddy, sold at Nagore	-	-	-	-	-	-	-	-	630
Ditto - late J. A. Ram, Collector in the Guntoor Circars, on account of Grain at Moosapilly	-	-	-	-	-	-	-	-	10,923
Ditto - Mr. A. Gregory, late Collector late 5th Division of Masulipatam	-	-	-	-	-	-	-	23	
Zemindars for Rozinahs	-	-	-	-	-	-	-	5,661	
Mr. Alexander Macleod (now Hume) late Collector in Trivady Soubah	-	-	-	-	-	-	-	3,548	
Plantations	-	-	-	-	-	-	-	-	42,639
Cokulapooly Juggernautauze, Zemindar of Poleveram, &c. for amount lent him	-	-	-	-	-	-	-	17,490	
Salt Debts :									
Due for advances on account Manufacture of Salt and Salt Revenue rented	-	-	-	-	-	-	-	-	47,156
Customs :									
Cash	-	-	-	-	-	-	-	28,251	
Due on account Customs, rented	-	-	-	-	-	-	-	-	6,245
Grain :									
Amount in store	-	-	-	-	-	-	-	-	18,651

(continued)

II.
FINANCE.

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Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

	Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
	<i>Pags.</i>	<i>Pags.</i>
MILITARY DEPARTMENT:		
Balances in hands of Paymasters - - - - -	8,00,770	
Cattle and Stores:		
Horses - - - - -	- - -	7,99,149
Elephants - - - - -	- - -	
Camels - - - - -	- - -	
Bullocks - - - - -	- - -	
Stores in Arsenal at Fort St. George and subordinate Magazines, on 31st January 1813 - - - - -	- - -	21,61,233
Provision stores and grain in ditto - - - ditto - - - - -	- - -	2,11,625
Marine Department:		
Cash - - - - -	2,153	
	<i>Pags.</i> *66,79,051	*73,46,179

* Amount per Account of Stock per Computation for 1814, India and England, (Appendix, No. 17.) - - - - -	<i>Pags.</i> 1,77,20,156
Deduct, Balances due from Nabob of the Carnatic and Rajah of Tanjore, written off on the Company assuming the Government of those countries respectively - - - - -	<i>Pags.</i> 34,60,178
Adjustment in value of Military Stores - - - - -	2,34,748
	36,94,926
	<i>Pags.</i> 1,40,25,230

No. 7.—FORT ST. GEORGE.

DEBTS, 1829.

	Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
	<i>M.Rs.</i>	<i>M.Rs.</i>
GENERAL DEPARTMENT.		
Bonded Debts bearing Interest:		
Permanent Loans - - - - -	2,62,131	
Funds of Charitable Institutions retained at interest - - - - -	24,500	
6 per Cent. Notes, issued under advertisement of 1st May 1811 - - - - -	9,08,611	
5 - ditto - in liquidation of Debts of late Newaub of the Carnatic - - - - -	55,000	
4 - ditto - on account Petty Claims on Carnatic Fund - - - - -	3,15,500	
Mint Bullion Certificates - - - - -	1,13,148	
Bonded Debts not bearing Interest:		
Bonds, Notes, &c. advertised for payment, but not demanded - - - - -	4,03,940	
Open Accounts bearing Interest:		
Balance due the Carnatic Fund (Home View) - - - - -	1,99,93,073	
Ditto - - Government Bank - - - - -	5,68,575	
Ditto - - Civil Annuity Fund, to 30th April 1825 - - - - -	11,91,356	
Ditto - - - ditto - - from - ditto - - - - -	12,30,248	
Ditto - - Civil Fund Charity Branch - - - - -	5,35,865	
Ditto - - Medical Fund - - - - -	7,86,049	
Ditto - - Military Fund - - - - -	15,30,624	
Ditto - - Madras Infirmary - - - - -	57,996	
Deposits on account the Estates of Military Persons deceased - - - - -	1,32,136	
Ditto - - - Native Servants proceeding with individuals to England - - - - -	38,378	
Ditto - - - the Estate of the late Pegoes Petrus - - - - -	1,260	
Ditto - - - by Messrs. G. Ricketts and John Shaw, as trus- tees of Miss Juliana Salmon - - - - -	2,100	
Ditto - connected with the Pondicherry P. Money in 1793 - - - - -	8	
Endowment by Collah Singanah Chitty, for 4 Choultries for Travellers Advance to Prince Azeem Jah Bahader, on account the Debts of the late Newaub, repayable by instalments from the Newaub's one-fifth share of the Revenue of the Carnatic - - - - -	41,770	
	1,812	

GENERAL DEPARTMENT—continued.

	Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
Debts not bearing Interest :	M.Rs.	M.Rs.
Deposits - - - - -	2,291	
Deposit made by C. Smith, Esq. administrator to Estate of late Dr. Alexander Maconochie - - - - -	52,133	
Ditto - on account claims of subjects of Travancore, for Captures made by His Majesty's Ships of War during disturbances in that country in 1809-10 - - - - -	47,787	
Ditto - on account Major Grand, C.E. V. B. - - - - -	28,011	
Ditto - made by Major-general (then Captain) Sir J. Malcolm in the Hyderabad Treasury, on account Bunjarries with the Hydrabad Subsidiary Force - - - - -	18,665	
Ditto - on account unclaimed Goods, per "Windham," from Calcutta	6,454	
Ditto - for redeeming the Bonds issued by Government on account the Zemindar of Vizagapatam - - - - -	5,200	
Ditto - made by Peter Paget, Esq. executor to Estate of late Admiral Drury - - - - -	4,595	
Ditto - on account Estate of Mr. J. Fullerton - - - - -	1,115	
Ditto - - - - Creditors of Moubarac ud Dowlah, Nabob Masu- lipatam - - - - -	2,635	
Ditto - Lieutenant T. C. Cutcliffe, 3d N. V. B. - - - - -	930	
Ditto - Bazar Fund, due to the officers formerly commanding stations in Mysore - - - - -	337	
Ditto - made by purser of H. C. Ship "Streatham" - - - - -	173	
Ditto - on account Penny Postage on Soldiers' Letters - - - - -	126	
Ditto - by sale of the Property of Mr. J. P. Scott, deceased - - - - -	60	
Ditto - on account the Supreme Court - - - - -	2,78,854	
Ditto - - - - Ava Donation Batta, due absentees - - - - -	5,805	
Charles Harris, Esq. late Collector of Manargoody Soobah - - - - -	5,239	
Francis Savage, Esq. Collector of Sea Customs at Vizagapatam - - - - -	1,388	
James Hepburn, Esq. late Collector of Tinnevely - - - - -	56	
Private European Creditors of the Rajah of Tanjore - - - - -	-	10,38,674
Military operations in Travancore and Cochin - - - - -	1,07,222	
Bazar Fund for 1807-8 - - - - -	75,089	
Unclaimed Prize Money due His Majesty's Troops - - - - -	9,605	
Rajah of Tanjore - - - - -	2,27,432	
Royapooram Church Fees - - - - -	3,332	
Contractors' Fees - - - - -	1,958	
Revenue Department :		
Deposits at the Presidency and in the Subordinate Treasuries - - - - -	33,91,822	
Zemindary Pensions and Charitable Allowances - - - - -	-	90,981
MILITARY DEPARTMENT :		
Unadjusted Accounts :		
Balance in favour of Captain Anderson, late superintending Engineer in Northern Division of the Army - - - - -	-	150
Ditto - - - Captain Cotgrave - ditto - ditto - - - - -	-	30
Ditto - - - Ensign Grant - - ditto at the Presidency - - - - -	-	175
Ditto - - - Captain Grant - - ditto in Travancore and Tinnevely - - - - -	-	944
Ditto - - - Lieutenant C. E. Faber, acting superintending Engineer in Malabar and Canara - - - - -	-	18
Ditto - - - the Paymaster at Vellore and Poonamallee and Commissary-general, to 30th April 1823 - - - - -	-	466
Ditto - - - Capt. Tabois, Postmaster in Southern Mahratta Provinces - - - - -	-	27
Ditto - - - Major W. Ormsby, Superintendent of Police - - - - -	-	9,430
Ditto - - - Individuals, for deposits made by them - - - - -	-	1,13,033
Ditto - - - Individuals - - - - -	-	507
Accounts of Money borrowed - - - - -	-	23,061
Accounts to Officers at Java - - - - -	-	513
Bills outstanding to be paid - - - - -	-	3,77,278
Ditto - ditto - - - - 1825-26 to 1828-29 - - - - -	-	27,93,786
M.Rs.	*3,24,72,394	*44,49,073

* Amount per Account of Stock per Computation for 1829, India and England,
(Appendix, No. 18.) - - - - - Rs. 3,77,97,067

Adjustment on account of Off-reckonings paid in England - - - - - Rs. 9,44,175

Deduct, Correction in amount of Balance in favour of Madras Govern-
ment Bank - - - - - 68,575

8,75,600

Rs. 3,69,21,467

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

No. 8.—FORT ST. GEORGE.

ASSETS, 1829.

	Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims, not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
GENERAL DEPARTMENT:		
	M.Rs.	M.Rs.
General Treasury : Cash - - - - -	54,58,335	
Pix Box - - - ditto - - - - -	1,321	
Mint - - - - ditto - - - - -	17,398	
Postmaster-general - - - Cash - - - - -	2,046	
Superintendent of Stationery, ditto - - - - -	1,826	
Boat Paymaster - - - ditto - - - - -	6,236	
Superintendent of Public Roads in Assessment Department, ditto - - - - -	13,078	
Superintendent of Public Roads: Cash - - - - -	3,490	
Inspector of Streets and Roads, ditto - - - - -	825	
Subordinate Treasuries - - - ditto - - - - -	15,13,761	
Remittances from Mint to General Treasury - - - - -	4,40,698	
Ditto - - - Collector in charge of Masulipatam General Treasury - - - - -	6,00,000	
Ditto - - - Principal Collector of Coimbatore - - - - -	6,61,360	
Ditto - - - Collector of Chingleput - - - - -	1,80,000	
Ditto - - - - - Salem - - - - -	5,00,000	
Ditto - - - - - Trichinopoly - - - - -	1,30,000	
Debts not bearing Interest :		
Advances to the officers and servants of his Highness the late Newaub Omdul Ul Umrah - - - - -	5,37,879	
Advance to his Highness Prince Azeem Jah Bahader Naib-i-Mookshar - - - - -	10,47,716	
Advance to E. Daorgaprasaud Naidoo, minor Zemindar of Darara-cottah, recoverable from the surplus of his zemindary - - - - -	81,800	
Advance to Narrasimmah Opparow, recoverable from the estate of his nephew, the minor Zemindar of Noozeed - - - - -	64,800	
Advance to Narrain Daverkarry, Jaghardeer of Somaskee Naid, recoverable - - - - -	14,843	
Advance to estate of late C. Soobernady Row, Zemindar of Ramacottah and Goodvadah, Purganah in the zillah of Masulipatam, recoverable - - - - -	3,414	
Advance to Kamantarso, Rajah of Combla, recoverable - - - - -	3,632	
Advance to Veerabadrauze of Vizagapatam, to be recovered from Zemindar of Meeringhee - - - - -	683	
Advance on account of the Post Office Department - - - - -	231	
Advance to Secretary to the Revenue Board, for transmission of Malabar Ravanah - - - - -	200	
Ditto - Mr. J. Lushington, Private Secretary to the Governor - - - - -	10,000	
Ditto - Right hon. Thos. Robinson, Archdeacon of Madras - - - - -	5,000	
Ditto - on account Government Lotteries, repayable - - - - -	6,52,916	
Ditto - - ditto - Military Male Orphan Asylum, repayable - - - - -	23,500	
Ditto - to Mr. J. Boutflower, repayable by trustees of Civil Fund - - - - -	9,190	
Account Presents remaining in Import Warehouse - - - - -	-	3,859
Ditto Supplies of Stationery, issued on credits - - - - -	-	84
Captain D. Sim, Civil Architect - - - - -	1,250	
Mr. J. Law - - - - -	28,317	
Mr. J. M. Heath, late Contractor for supply of Saltpetre - - - - -	10,000	
Mr. W. Hawkins, late Collector of Masulipatam - - - - -	5,596	
Mr. W. Bannister, Mintmaster's Assayer - - - - -	217	
Mr. Thos. Teed, Solicitor to the Honourable Company - - - - -	7,000	
Mr. D. Neale - - - ditto - - - ditto - - - - -	3,500	

GENERAL DEPARTMENT—continued.

	Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims, not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
	<i>M.Rs.</i>	<i>M.Rs.</i>
Deposit made on Telinga Bill of Interpleader in late Recorder's Court against Suncoo Chinna, Kistnamah Chitty and others - -	55,399	
Claims of the Honourable Company against Carnatic Fund - -	53,164	
Town Assessment - - - - -	77,101	
Assay-office - - - - -	628	
Government of Ceylon - - - - -	38,417	
Ditto - - Mysore - - - - -	2,34,072	
Mysore Pensions, repayable by that Government - - - -	45,327	
Netherlands Government Pensions, repayable - - - -	9,931	
Stores:		
Stationery remaining with the Superintendent - - - -		1,80,748
Marine Stores remaining in charge of Master Attendant - -		1,67,306
Ditto - - at Masulipatam - - - -		7,476
Collector of Customs at Callicut in charge of Stationery - -		6,631
REVENUE DEPARTMENT:		
Cash in Treasuries of the several Collectorates - - - -	1,04,52,520	
Revenue of 1828-29, recoverable in subsequent years - -		29,46,754
Arrears of former years - - - - -		87,14,102
Tuckavy advances - - - - -		12,29,601
Due from Mr. Alex. Macleod (now Hume) collector in Trevady Soobah - - - - -	12,417	
Ditto - - Government Plantations - - - - -		2,89,879
MILITARY DEPARTMENT:		
Cash in the Treasuries of the several Paymasters - - - -	8,97,038	
Commissary-general - - - - -	1,33,272	
Agent for supplies of Broad Cloth to the officers of the Army -	264	
Superintendent of Family Payments - - - - - 89,548		
Deduct, Balance due to late Superintendent of Family Payments - - - - - 75,101		
	14,447	
Cattle and Stores:		
Horses, &c. 30th April 1829 - - - - -		31,02,749
Elephants, camels and bullocks - - - - -		6,47,345
Stores in the Arsenal of Fort St. George and the subordinate magazines, including Engineers' Stores, on 31st January 1829 -		1,62,39,651
Provision, Stores and Grain at the Presidency and Out-stations, under charge of the Commissariat, on ditto - - - -		11,48,753
Medicines, Surgical Instruments, and Utensils at the Dispensary at Madras and Subordinates, ditto - - - - -		3,51,419
Agent for supplies of Broad Cloth to officers of the Army - -		36,762
Agent for Army clothing - - - - -		6,27,447
Unadjusted Accounts - - - - -		37,58,895
<i>M.Rs.</i>	*2,40,66,055	*3,94,59,461

* Amount per Account of Stock per Computation for 1829, India and England,
(Appendix, No. 18.) - - - - - Rs. 5,99,13,338

Add, Value of Ordnance and Military Stores in use, included under
head of Dead Stock - - - - - Rs. 30,74,299

Advances to Officers and Servants of the late Nabobs of the
Carnatic - - - - - 5,37,879

36,12,178

Rs. 6,35,25,516

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

No. 9.—BOMBAY.

DEBTS, 1814.

	Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
CIVIL DEPARTMENT:		
General:		
Debts bearing 6 per Cent. Interest:	B.Rs.	B.Rs.
General Register of 6 per Cent. Promissory Notes - - -	22,47,100	
Bombay Civil Fund - - - - -	1,79,994	
Accountant-general to Court of Recorder - - - - -	2,40,172	
Register to the Recorder's Court, for Assets of the Estates of deceased persons in course of administration - - - - -	2,93,032	
Deposits on account Mint Security - - - - -	50,000	
Ditto Native Servants going with Passengers to England - -	54,875	
Purvoes Fund - - - - -	44,110	
Demands not bearing Interest:		
Promissory Notes of 6 per Cent. Loan, advertized for payment, but not demanded - - - - -	1,500	
8 per Cent. Loan - - - - - ditto - - -	10,034	
10 - Decennial ditto - - - - -	3,000	
12 - Loan - - - - -	5,676	
9 - ditto - - - - -	10,363	
Treasury Bills - - - - -	6,900	
Deposits on account Estates of deceased Military Officers - -	15,440	
9 per Cent. Old Bonds, advertized for payment, but not demanded	1,05,045	
Bombay Hospital - - - - -	1,000	
Agent of Captors of Broach and Coolies - - - - -	7,666	
Account Deposits (Old) - - - - -	33,449	
Captors of Fort Augustus - - - - -	13,631	
Prize Agents for the Captors of Broach - - - - -	8,170	
Captors of Mahi - - - - -	19,153	
Ditto - Rice-boats near Tellicherry - - - - -	11,013	
Bussorah, due Sundries (as per List) - - - - -	47,177	
Arrears - - - - -	-	1,02,617
Revenue Arrears - - - - -	31,426	54,304
Judicial ditto - - - - -	-	35,891
Marine ditto - - - - -	-	5,17,181
Military ditto - - - - -	-	5,99,506
- Debts - - - - -	-	7,67,938
	B.Rs. 34,39,926	20,77,437

No. 10.—B O M B A Y.

A S S E T S, 1814.

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

CIVIL DEPARTMENT:										Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims, not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
General:										B.Rs.	B.Rs.
Presidency:											
Treasury	-	-	-	-	-	-	-	-	-	25,67,740	
Postmaster-general	ditto	-	-	-	-	-	-	-	-	3,347	
Civil Paymaster	ditto	-	-	-	-	-	-	-	-	31,488	
Mints	ditto	-	-	-	-	-	-	-	-	10,000	
Subordinates	ditto	-	-	-	-	-	-	-	-	4,95,824	
Good Debts:											
Rajah of Collapoor	-	-	-	-	-	-	-	-	-	90,388	
Gungagee Bhicajee	-	-	-	-	-	-	-	-	-	1,665	
Samuel Ince	-	-	-	-	-	-	-	-	-	38,655	
Bussorah	-	-	-	-	-	-	-	-	-	9,693	
Surat	-	-	-	-	-	-	-	-	-	1,604	
Guzerat	-	-	-	-	-	-	-	-	-	7,789	
Revenue:											
Presidency and Subordinates:											
Cash	-	-	-	-	-	-	-	-	-	9,35,325	11,696
Deemed recoverable, 1812-13	-	-	-	-	-	-	-	-	-	-	15,343
Account, 1810-11	-	-	-	-	-	-	-	-	-	-	857
Ditto 1811-12	-	-	-	-	-	-	-	-	-	-	1,099
Ditto former years	-	-	-	-	-	-	-	-	-	-	5,72,038
Ditto current year	-	-	-	-	-	-	-	-	-	-	6,706
Debts	-	-	-	-	-	-	-	-	-	204	
Tuckavy, or Advances	-	-	-	-	-	-	-	-	-	-	12,119
Grain, &c	-	-	-	-	-	-	-	-	-	-	
Customs:										804	
Cash	-	-	-	-	-	-	-	-	-	-	7,342
Customs outstanding	-	-	-	-	-	-	-	-	-	-	
Judicial:										12,677	
Cash	-	-	-	-	-	-	-	-	-	-	726
Costs on Suits, &c. Salsette	-	-	-	-	-	-	-	-	-	-	967
Surat	-	-	-	-	-	-	-	-	-	-	4,883
Kaira	-	-	-	-	-	-	-	-	-	-	
Marine:										9,277	
Cash	-	-	-	-	-	-	-	-	-	-	
Debts outstanding:										-	11,027
Marine Paymaster	-	-	-	-	-	-	-	-	-	-	31,962
William Ashburner	-	-	-	-	-	-	-	-	-	-	23,375
William Freeman	-	-	-	-	-	-	-	-	-	-	30,526
Alexander Maconochie	-	-	-	-	-	-	-	-	-	-	4,080
Surat Artificers	-	-	-	-	-	-	-	-	-	-	8,172
Deputy Marine Paymaster at Surat	-	-	-	-	-	-	-	-	-	-	
Advances:										-	10,053
To Commanders of Packets and Agent of Transports	-	-	-	-	-	-	-	-	-	-	13,577
On account Timber at Malabar	-	-	-	-	-	-	-	-	-	-	
Stores:										-	18,48,190
Presidency	-	-	-	-	-	-	-	-	-	-	4,100
Surat	-	-	-	-	-	-	-	-	-	-	59,789
Conservator of the Forests in Malabar	-	-	-	-	-	-	-	-	-	-	
MILITARY DEPARTMENT:										7,93,684	
Cash	-	-	-	-	-	-	-	-	-	-	16,99,474
Debts	-	-	-	-	-	-	-	-	-	-	
Stores:										-	65,21,454
Presidency	-	-	-	-	-	-	-	-	-	-	17,341
Surat	-	-	-	-	-	-	-	-	-	-	1,64,863
Bushire	-	-	-	-	-	-	-	-	-	-	
										B.Rs. 50,10,164	1,10,81,759

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

No. 11.—BOMBAY.

DEBTS, 1829.

	Items falling under the description of Debt Incurred in the Cash View.	Other Items, exclusive of such as have been rejected in the Home Adjustment.
CIVIL DEPARTMENT:		
General:		
Debts bearing 8 per Cent. Interest:	B.Rs.	B.Rs.
Provident Fund - - - - -	7,77,797	
Bombay Military ditto - - - - -	11,23,354	
Ditto, 6 per Cent. ditto:		
Civil Annuity Fund - - - - -	13,60,234	
Annuity Fund of Futtch Ollah Khan - - - - -	40,000	
Elphinstone Professorships - - - - -	1,68,659	
Sir Edward West's Scholarships and Prizes - - - - -	11,400	
Warden's Official Fund - - - - -	4,04,320	
Ditto, 4 per Cent. ditto:		
Deposits on account Native Servants going with Passengers to England - - - - -	40,800	
Accountant-general to the Supreme Court of Judicature at Bombay	9,85,204	
Demands not bearing Interest:		
General Register of Promissory Notes - - - - -	500	
Promissory Notes of the Old 6 per Cent. Loan, advertized for pay- ment but not demanded - - - - -	1,500	
8 per Cent. ditto, of 1801-2 - - - ditto - - - - -	2,129	
Ditto - - of 1808-9 - - - ditto - - - - -	1,000	
10 per Cent. Decennial Loan - - - ditto - - - - -	3,000	
12 ditto (Old) - - - - -	5,675	
Treasury Bills (ditto) - - - - -	4,800	
Prize Property captured by Troops under the orders of the Bombay Government, &c. - - - - -	11,77,716	
Bombay Town Hall Lotteries - - - - -	11,555	
Treasury Notes - - - - -	1,03,600	
Town Hall Committee - - - - -	1,139	
Deposits on account Pirated Property - - - - -	42	
Ditto - - - Estates of deceased European Commissioned, Non- commissioned and Warrant Officers and Soldiers in Hon. Company's service - - - - -	7,062	
Ditto - - - ditto - - - Native Officers and Sepoys, ditto - - -	18,128	
Ditto - - - ditto - - - Persons deceased in service of ditto - - -	15,333	
Ditto - - - ditto - - - Estates of deceased Military Officers - - -	66	
Ditto - - - ditto - - - Sea Customs and Town Duties - - -	5,11,227	
9 per Cent. Old Bonds advertized for payment but not demanded - - -	1,05,045	
Bombay Hospital - - - - -	1,000	
Agent for Captors of Broach - - - - -	7,666	
Account Deposits (Old) - - - - -	33,449	
Captors of Fort Augustus - - - - -	13,631	
Ditto - - - Myhee - - - - -	19,153	
Ditto - - - Rice Boats and Tellicherry - - - - -	11,013	
Arrears, General - - - - -		2,14,934
Ditto, Revenue - - - - -	14,220	6,84,459
Ditto, Judicial - - - - -		82,497
Ditto, Marine - - - - -		1,49,172
Ditto, Military - - - - -		15,81,141
	B.Rs.	
	*69,81,417	*27,12,203

* Amount per Account of Stock per Computation for 1829, India and England,
(Appendix, No. 18.)

Deduct, Adjustments of Sundry Items - - - - - Rs. 97,36,585

Rs. 96,93,620

No. 12.—B O M B A Y.

A S S E T S, 1829.

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

CIVIL DEPARTMENT:										Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
General:										B.Rs.	B.Rs.
Cash	-	-	-	-	-	-	-	-	-	77,13,604	
Debts:											
Managers of Civil Annuity Fund	-	-	-	-	-	-	-	-	-		5,24,055
Tinwady Urzoonjee Nathjee	-	-	-	-	-	-	-	-	-		1,71,103
Rajah of Collapore	-	-	-	-	-	-	-	-	-		70,118
Gugajee Phiceajee	-	-	-	-	-	-	-	-	-		1,665
Baroda Residency	-	-	-	-	-	-	-	-	-		16,885
Bussora ditto	-	-	-	-	-	-	-	-	-		9,693
Cattle:											
Marine	-	-	-	-	-	-	-	-	-		579
Revenue:											
Cash	-	-	-	-	-	-	-	-	-	56,58,721	
Account of 1826-27	-	-	-	-	-	-	-	-	-		1,69,113
Ditto - 1827-28	-	-	-	-	-	-	-	-	-		3,79,657
Ditto - former years	-	-	-	-	-	-	-	-	-		8,94,614
Ditto - current year	-	-	-	-	-	-	-	-	-		45,86,854
Debts, &c.:											
Southern Concan	-	-	-	-	-	-	-	-	-		1,38,486
Northern ditto	-	-	-	-	-	-	-	-	-		2,41,122
Surat	-	-	-	-	-	-	-	-	-		88,607
Eastern Zillah, North of Myhee	-	-	-	-	-	-	-	-	-		15,383
Ahmedabad	-	-	-	-	-	-	-	-	-		97,673
Ahmednugger	-	-	-	-	-	-	-	-	-		1,13,464
Tuckavey, or Advances:											
Southern Concan	-	-	-	-	-	-	-	-	-	9	
Northern ditto	-	-	-	-	-	-	-	-	-	8,980	
Surat	-	-	-	-	-	-	-	-	-	38,955	
Broach	-	-	-	-	-	-	-	-	-	14,369	
Ahmedabad	-	-	-	-	-	-	-	-	-	14,663	
Ahmednugger	-	-	-	-	-	-	-	-	-	46,619	
Grain, &c.:											
Southern Concan	-	-	-	-	-	-	-	-	-		200
Northern ditto	-	-	-	-	-	-	-	-	-		1,734
Opium Department	-	-	-	-	-	-	-	-	-		11,56,280
Customs:											
Cash	-	-	-	-	-	-	-	-	-	67,993	

II.
FINANCE.

Appendix, No. 9.

Statement of Debts
and Assets in India,
in 1814 and 1829.

CIVIL DEPARTMENT—continued.										Cash and Credits resulting from Advances of Cash which have not been stated as Charge.	Stores, Revenue Balances and other Claims not falling under the description of those in the first Column, exclusive of such as have been rejected in the Home Adjustment.
										B.Rs.	B.Rs.
Judicial :											
Costs on Suits, &c. :											
Southern Concan	-	-	-	-	-	-	-	-	-	-	4,200
Northern ditto	-	-	-	-	-	-	-	-	-	-	9,011
Surat	-	-	-	-	-	-	-	-	-	-	7,997
Ahmedabad	-	-	-	-	-	-	-	-	-	-	17,545
Eastern Zillah, North of Myhee	-	-	-	-	-	-	-	-	-	-	2,281
Candeish	-	-	-	-	-	-	-	-	-	-	357
Marine :											
Cash	-	-	-	-	-	-	-	-	-	1,41,533	
Debts :											
Marine Paymaster	-	-	-	-	-	-	-	-	-	-	2,26,509
Surat Artificers	-	-	-	-	-	-	-	-	-	-	13,834
Agent for purchase of Timber in Malabar and Canara	-	-	-	-	-	-	-	-	-	-	11,091
Advances to Commanders, Agents of Transports, &c.	-	-	-	-	-	-	-	-	-	-	63,619
Stores :											
Presidency	-	-	-	-	-	-	-	-	-	-	8,14,763
Surat	-	-	-	-	-	-	-	-	-	-	3,104
Agent for purchase of Timber in Malabar and Canara	-	-	-	-	-	-	-	-	-	-	126
MILITARY DEPARTMENT :											
Cash	-	-	-	-	-	-	-	-	-	21,10,033	
Stores, Presidency	-	-	-	-	-	-	-	-	-	-	1,01,48,133
										B.Rs.	
										*1,58,15,479	*2,00,19,855

* Amount per Account of Stock per Computation, India and England, 1829,
(Appendix, No. 18.) - - - - - Rs. 3,60,52,550

Deduct, Sundry Adjustments in Revenue Balances - - - - - 2,17,216

Rs. 3,58,35,334

MEMORANDUM of the Amount and Particulars of the Registered and other Debts due by the Company, at the Three Presidencies, on 30th April 1829, according to the preceding Statement.

DESCRIPTION OF DEBT.		AMOUNT of DEBT.	ANNUAL INTEREST.	REMARKS.
BENGAL Debt at Interest				
10 per Cent. Loan, transferred from Fort Marlbro' - - - - }	S.Rs. 18,505	£. 2,147	£. 214	{ - - the principal part to be discharged on the death of an individual.
6 per Cent. Loan, 30th June 1822	7,47,11,200	8,666,499	519,990	{ - - irredeemable until the expiration of the present Charter of the Company, and then notice of 15 months to be given previously to discharge.
Ditto - - from His Excellency the Vizier - - - - }	56,39,089	654,134	39,248	{ - - the Interest has been assigned by the Vizier, in stipends to individuals, by consent of the Company, and the principal is sup- posed to be repayable as those individuals die off.
Ditto - - Her late Highness the Bhow Begum's Stipend Fund - }	55,98,435	649,418	38,965	{ - - supposed to be permanent, the Interest having been assigned to individuals in India, by the Begum, in perpetuity, by consent of the Company.
6 per Cent. Loan renewed for a further term of seven years - - - }	6,68,292	77,522	4,651	{ in course of payment.
Ditto - - Notes issued to the Prize Agents for Captors of Java - }	3,22,016	37,354	2,241	{ supposed to be dischargeable at any time.
Ditto - - Deposits of the Revenue Department - - - - }	3,021	350	21	
5 per Cent. Loan of 31st March 1823	9,16,95,500	10,636,678	531,834	{ - - no part was payable till after 31st March 1825, and then only 1 ½ Crore in any one year, after 60 days notice.
Ditto - - of 19th May 1825 -	9,41,54,300	10,921,899	546,095	{ - - no part was dischargeable till after 30th April 1832, and then previous notice of three months to be given.
Ditto - - from His Majesty the King of Oude - }	1,55,39,650	1,802,599	90,130	{ - - supposed to be permanent, the Interest having been assigned by the Vizier in sti- pends to his dependants, by consent of the Company.
Ditto - - from Scindiah's Govern- ment - - - - }	60,22,585	698,620	34,931	{ dischargeable at any time.
Ditto - - from Rajah Kurm Sing, of Puttialla, and certain other natives of rank - }	41,53,427	481,798	24,090	{ ditto.
4 per Cent. Loan of 13 September 1824	12,31,100	142,808	5,712	{ - - no part was dischargeable till after 30th April 1830, and then previous notice of three months to be given.
Ditto - - of 1828-29 - - -	9,42,200	109,295	4,372	{ - - no part was payable till after 30th April 1832, and then previous notice of three months to be given.
Ditto - - from Mobaruck Ool Nissa Begum - - - - }	16,267	1,887	75	{ dischargeable at any time.
Treasury Notes, at various rates of Interest - - - - }	25,45,280	295,252	15,944	{ for the most part immediately dischargeable.
Civil Service Annuity Fund, at 6 per Cent - - - - }	30,25,332	350,939	21,056	{ a permanent and increasing demand.
Bhurtpore Captured Property and Deccan Prize Fund, at 5 per Cent. }	26,81,105	311,008	15,550	{ repayable on demand.
Bengal Debt at Interest - - £.		35,840,207	1,895,119	
Not at Interest :				
Sinking Fund - S.Rs. 2,39,96,763	£. 2,783,624	-	-	{ - - securities purchased by the Commissioners for the Reduction of the Company's Debt.
Bonds, Notes, &c. or- dered for payment, but payment not de- manded - - - }	11,29,334	131,003	-	{ payable on demand.
Deposits in Civil and Military Depart- ments, &c. - - }	1,66,59,795	1,932,536	-	{ repayable on demand.
Interest, Arrears of Al- lowance, &c. - - }	3,79,68,321	4,404,326	-	{ dischargeable at any time.
		9,251,489		
Total Debt of Bengal, } carried forward - }		£. 45,091,696	1,895,119	

DESCRIPTION OF DEBT.	AMOUNT of DEBT.	ANNUAL INTEREST.	REMARKS.
	£.	£.	
Brought forward - - -	45,091,696	1,895,119	
MADRAS Debt at Interest: <i>M.Rs.</i>			
8 and 6 per Cent. Permanent Loans	2,62,131	29,958	2,149
6 per Cent. Funds of Charitable Institutions - - -	24,500	2,800	168
6 per Cent. Notes of 1811 - - -	9,08,611	1,03,841	6,230
5 per Cent. Notes issued in payment of Carnatic Debts - - -	55,000	6,286	314
4 per Cent. ditto - - -	3,15,500	36,057	1,442
8 per Cent. Deposits of Old Civil Annuity Fund, and of Military Fund, &c. - - -	40,45,994	462,399	36,992
6 per Cent. Carnatic Fund - - -	1,99,93,073	2,284,923	137,095
6 per Cent. Civil Annuity Fund - - -	12,30,248	140,600	8,436
6 per Cent. Balance due Government Bank, Deposits, &c. - - -	8,38,855	95,869	5,752
5 per Cent. Deposits - - -	3,080	352	17
Madras Debt at Interest - £.	3,163,085	198,595	
Not at Interest:			
Mint Certificates - <i>M.Rs.</i> 1,13,148	£. 12,931	-	-
Bonds advertised for payment, but payment not demanded - - -	4,03,940	46,165	-
Deposits, &c. in the Civil Departments - - -	42,78,314	488,950	-
Unadjusted Balances in the Civil and Military Departments - - -	44,49,073	508,465	-
		1,056,511	
Total Debt of Madras - - £.	4,219,596	198,595	
BOMBAY Debt at Interest:			
8 per Cent. Provident and Military Funds - - -	<i>B.Rs.</i> 19,01,151	£. 213,879	£. 17,110
6 per Cent. Civil Annuity Fund, &c. - - -	19,84,613	223,269	13,396
4 per Cent. Deposits - - -	10,26,004	115,425	4,617
Bombay Debt at Interest - - £.		552,573	35,123
Not at Interest:			
Bonds, &c. ordered for payment, but payment not demanded; Deposits, &c. - - -	<i>B.Rs.</i> 20,69,649	£. 232,836	-
Arrears due in the Civil and Military Departments - - -	27,12,203	305,123	-
		537,959	
Total Debt of Bombay - - - £.		1,090,532	35,123
Total Debts at the Three Presidencies, at Interest - - - £.		39,604,840	2,128,837
GRAND TOTAL DEBTS at the Three Presidencies, including 2,783,624 <i>l.</i> discharged by the operation of the Sinking Fund - - -	£.	50,401,824	2,128,837

Appendix, No. 10.

Extract LETTER from Governor-general in Council at *Bengal* (Financial Department); dated 17th August 1812.

Par. 87. THE public creditors will not be entitled to demand payment of their notes, as heretofore at any time, by bills on England, and such bills will never be granted otherwise than by a deliberate act of your government in India, who cannot be presumed to be so far wanting in their public duty as voluntarily and unnecessarily to throw any large demand upon the Home Treasury, without being well assured of its ability to meet it, and without having the express authority of your Honourable Court for that purpose.

Appendix, No. 10.

Extract Letter
from Government
of Bengal,
17 August 1812.

Appendix, No. 11.

Extract LETTER from Governor-general in Council at *Bengal* (Financial Department); dated 1st May 1821.

Par. 13. WE have resolved under the recommendation of our Accountant-general to adopt immediate measures for effecting a transfer of the whole of the bonds of 1811 into a loan, of which both principal and interest shall be payable solely in India, and of thus placing about half of the registered debt of India out of the condition to prove burdensome on the Home Treasury.

Appendix, No. 11.

Extract Letter
from Government
of Bengal,
1 May 1821.

Appendix, No. 12.

Extracts LETTER from Governor-general in Council at *Bengal*, (Financial Department); dated 18th February 1822.

Par. 7. WE have now the honour of forwarding to you copies of two Reports from our Accountant-general, wherein he proposes that the whole of the existing remittable loans be advertised for payment on the 30th April next, and that at the same time a new transfer loan be opened, subject to the following conditions:

1st. In regard to the principal of this loan, that it shall be absolutely irredeemable during the period of the present Charter; that the bonds, if paid off after the expiration of the Charter, shall be payable at the option of the holder, in cash or in bills on the Honourable Court, at the rate of 2s. 6d. the sicca rupee, at 12 months date, and that previously to payment, a notice of 15 months shall be given.

2d. In respect to the interest, that this shall be payable in cash only, if the proprietor be resident in India; but that proprietors resident in Europe shall have the option of receiving payment in bills on your Honourable Court at the exchange of 2s. 1d. the rupee.

8. It is further proposed by Mr. Sherer, that this loan shall be kept entirely distinct from the remainder of the registered debt of this presidency, and shall be enrolled in a separate register by itself.

9. The grounds on which Mr. Sherer founds his several recommendations, your Honourable Court will find fully explained in the papers now transmitted, to which therefore we beg permission to refer you. The reasons assigned by him appear to us satisfactorily to demonstrate the general expediency of the measure, and we feel entirely satisfied of our ability to give effect to it without casting on the Home Treasury any demand beyond the funds which we are fully prepared to supply.

10. The high value indeed now borne by the non-remittable bonds, combined with the special advantages which will attach to the new loan, and the circumstances adverted to by Mr. Sherer, seems to afford a strong assurance that a very inconsiderable amount of bills will be taken out in payment of the principal of the advertised bonds, and that such of the public creditors as may have left instructions with their agents to remit, will readily meet a proposition from your Honourable Court, for the reinvestment of that debt, should you see fit to give the option.

11. Under these circumstances, we feel satisfied that your Honourable Court will approve our having resolved on the immediate adoption of the plan proposed by Mr. Sherer.

Appendix, No. 12.

Extracts Letter
from Government
of Bengal,
18 February 1822.

Appendix, No. 13.

Extract LETTER from the Governor-general in Council at *Bengal*, (Financial Department); dated 31st December 1824.

Par. 11. WE resolved, on the recommendation of our Accountant-general, to open a general loan, bearing an interest of four per cent., having previously authorized the issue of Treasury notes in liquidation of demands on the General Treasury here, and ascertained that subscriptions to a considerable extent might be expected.

Appendix, No. 13.

Extract Letter
from Government
of Bengal,
31 December 1824.

Appendix, No. 14.

Appendix, No. 14.

Extract Letter
from Government
of Bengal,
4 August 1825.

Extract LETTER from Governor-general in Council at *Bengal*, (Financial Department); dated 4th August 1825.

Par. 18. WE resolved on the 19th May last to open a five per cent. loan. For reasons explained at length on our proceedings, it appeared to be expedient and proper in the first instance to restrict subscriptions to the holders of four per cent. promissory notes, and to allow them the option of transferring these notes to the five per cent. loan, on condition of their paying an equal sum in cash.

Appendix, No. 15.

Appendix, No. 15.

Extract Letter
from Government
of Bengal,
3 July 1828.

Extract LETTER from the Governor-general in Council at *Bengal*, (Financial Department); dated 3d July 1828.

Par. 1. WE have the honour of informing your Honourable Court that we have resolved to close the five per cent. loan, and at the same to keep our treasuries open for the receipt of any sums that may be tendered in loan at an interest of four per cent.

Appendix, No. 16.

Appendix, No. 16.

Letter from Accountant-general, at Bengal to Officiating Secretary,
23 May 1831.

Copy LETTER from the Accountant-general at *Bengal* to the Officiating Secretary to the Government of *Bengal*; dated 23d May 1831.

Sir,

I HAVE the honour to submit for the information of the Honourable the Vice President in Council, and eventually to be forwarded to the Honourable Court of Directors, a Statement of the amount of the registered debt held by Europeans and natives respectively, as required by the home authorities, under date the 5th August 1829.

I have, &c.

C. Morley, Accountant-general.

STATEMENT of the AMOUNT standing on the General Registers of this Presidency on the 30th April 1830, in the Names of Europeans and Natives.

	EUROPEANS.	NATIVES.	TOTAL.
	S. Rs.	S. Rs.	S. Rs.
6 per cent. Loan, of 1822 - - -	7,03,43,500	43,68,700	7,47,12,200
5 per cent. ditto, of 31 March 1823 - -	7,09,87,800	2,06,39,700	9,16,27,500
5 per cent. ditto, of 1825-26 - - -	5,32,74,800	4,08,79,500	9,41,54,300
5 per cent. ditto, of 1829-30 - - -	19,51,700	7,01,300	26,53,000
4 per cent. ditto, of 1824-25 - - -	3,13,000	5,86,200	8,99,200
4 per cent. ditto, of 1828-29 - - -	6,63,600	5,84,100	12,47,700
S. Rs.	19,75,34,400	6,77,59,500	* 26,52,93,900

* At the rate in use in the Parliamentary Accounts, viz. 2s. per current rupee, the amount in sterling is as follows:

Europeans - - - - -	£. 22,913,990
Natives - - - - -	7,860,102
Total - - - - -	£. 30,774,092

(Errors excepted.)

Fort William, }
23 May 1832. }

(signed)

C. Morley,
Acc^t Genl.

Appendix, No. 17.

STOCK per Computation of the East India Company (exclusive of their CAPITAL STOCK) on the 1st May 1814, both in *India* and in *England*; the Indian Stock Accounts calculated at the Rates of 2 s. for the Current Rupee, 2 s. 3 d. the Bombay Rupee, 8 s. the Pagoda, and 6 s. 8 d. for the China Tale.

Appendix, No. 17. - - - - -

Appendix, No. 17. STOCK per Computation of the East India Company (exclusive of their CAPITAL STOCK) on
of 2s. for the Current Rupee, 2s. 3d. the Bombay Rupee,
Dr.
Account of Stock
of the East India
Company on
1 May 1814.

TERRITORIAL AND POLITICAL DEBTS ABROAD.			
India Debt bearing Interest, on 1st May 1814:			
BENGAL:	S.Rs.		
Loans at 8 per cent. - - - - -	46,26,000		
Ditto - 6 - ditto - - - - -	20,62,38,730		
Promissory Notes at 6 per cent. granted to the cap- tors of Java. (The amount discharged in England in 1814-15 is not deducted as was done in the Account made up for England 1st May 1815, and India 1st May 1814) - - - - -	18,04,870		
Treasury notes at 5 per cent. - - - - -	5,500		
Ditto - - - 6 - ditto - - - - -	1,88,100		
	S.Rs.	C.R.	£.
	21,28,63,200	24,69,21,312	a' 2/ 24,692,131
FORT ST. GEORGE:			
Loans at 8 per cent. - - - - - Pags.	44,000		
Ditto - 6 - ditto - - - - -	3,63,315		
Other Debts bearing Interest, including the Carnatic Fund - - - - -	43,98,985	Pags.	
		48,06,300	a' 8/ 1,922,520
BOMBAY:			
Loans at 6 per cent. - - - - - B.Rs.	22,47,100		
Other Debts bearing Interest - - - - -	8,62,183	B.Rs.	
		31,09,283	a' 2/3 349,794
BENCOOLEN (transferred from Commercial Branch, in conformity with the principle of classification adopted since 1814:)		£.	26,964,445
Promissory Notes - - - - -		S.Ds.	
		25,364	a' 5/ 6,341
Total Territorial Debts in India on 1st May 1814, bearing Interest -			26,970,786
Debts in India not bearing Interest, on 1st May 1814:			
Bengal, including arrears of Interest and Allow- ances - - - - - S.Rs. 2,74,70,107 - C.R.	3,18,65,324	£.	3,186,532
Fort St. George - ditto - - - - - Pags.	10,83,593		433,437
Bombay - - - ditto - - - - - B.Rs.	24,08,080		270,909
Prince of Wales' Island and Malacca, ditto Sp.D.	132,281	a' 5/	33,070
			3,923,948
Bencoolen, ditto, (transferred as above) - - -	99,545		24,886
Total Territorial Debts in India on 1st May 1814, not bearing Interest			3,948,834
TOTAL Territorial and Political Debts Abroad, carried forward - -			30,919,620

Appendix, No. 17.

1st May 1814, both in *India* and in *England*; the Indian Stock Accounts calculated at the Rates
8 s. the Pagoda, and 6 s. 8 d. for the China Tale.

Appendix, No. 17.

Cr.

Account of Stock
of the East India
Company on
1 May 1814.

TERRITORIAL AND POLITICAL CREDITS ABROAD.					£.	£.
Cash and Bills receivable in the several Departments, on 1st May 1814 :						
Bengal - - -	S.Rs. 2,18,79,904 - C.R.	2,53,80,688			2,538,068	
Fort St. George - - -	Pags. 64,45,330					
Consignment of Treasure sent to Bom- bay, not arrived at that Presidency on 30th April 1814) - - -	78,855	65,24,185			2,609,674	
Bombay - - - - -	B.Rs.	48,60,166			546,768	
Prince of Wales' Island and Malacca -	Sp.D.	1,12,858			28,214	
					5,722,724	
St. Helena, 30th September 1814 - - -	- - -	- - -			28,994	
					5,751,718	
Bencoolen (transferred from the Commercial Branch, in conformity with the principle of classification adopted subsequently to 1814) - - -	Sp.D.	203,940			a' 5/ 50,985	5,802,703
Stores in the several Departments, on 1st May 1814 :						
Bengal (including Salt } and Opium) - - -	S.Rs. 128,98,647 - C.R.	1,49,62,430			1,496,243	
Fort St. George - - - - -	Pags.	34,53,769			1,381,508	
Bombay - - - - -	B.Rs.	86,27,856			970,633	
Prince of Wales' Island and Malacca -	Sp.D.	510,884			127,721	
					3,976,105	
St. Helena, 30th September 1814 - - -	- - -	- - -			133,138	
					4,109,243	
Bencoolen (transferred as above), including Import and Export Goods - - - - -	Sp.D.	337,083			a' 5/ 84,271	4,193,514
Debts owing to the Company (including Arrears of Revenue), on 1st May 1814 :						
Bengal (including Salt } and Opium) - - -	S.Rs. 1,42,69,529 - C.R.	1,65,52,654			1,655,265	
Fort St. George (including Salt and Customs) Pags.		78,21,057			3,128,423	
Bombay, including Customs - - -	B.Rs.	26,03,901			292,938	
Prince of Wales' Island and Malacca -	Sp.Ds.	152,152			38,038	
					5,114,664	
Bencoolen, transferred as above - - -	Sp.Ds.	405,018			101,254	5,215,918
TOTAL Territorial and Political Credits Abroad, carried forward - - -					£.	15,212,135

II.
FINANCE.

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Appendix, No. 17.

Account of Stock
of the East India
Company on
1 May 1814.

D^r - - - - No. 17.—Stock per Computation of the East India Company on

TOTAL Territorial and Political Debts Abroad, brought forward - -		£.	30,919,620
TERRITORIAL AND POLITICAL DEBTS AT HOME, ON 1st MAY 1814:			
Bills of Exchange unpaid from India, drawn in liquidation of Principal and Interest of Indian Debts, &c., comprising all Bills drawn up to the close of the Indian year of account 1813-14 -	£.	1,396,914	
The Public, for a Loan in 1812, at 5l. 5s. 7½d. per cent. per annum, deducting the amount redeemed - - - -		2,272,623	
Interest on the above Loan - - - - -		21,500	
Warrants passed the Court unpaid - - - - -		9,000	3,700,037
TOTAL Territorial and Political Debts Abroad and at Home - £.			34,619,657
COMMERCIAL DEBTS ABROAD, ON 1st MAY 1814:		£.	
Bengal - - - - S.Rs. 12,35,475 - C.R. 14,33,151		143,315	
Fort St. George - - - - - M.R. —		—	
Bombay - - - - - B.R. 3,88,502		43,706	
	£.	187,021	
China - - - - - Tales 328,815		109,605	
Commercial Debts Abroad - - £.		296,626	
Carried forward - - - £.		296,626	34,619,657

1st May 1814, both in *India* and in *England*—continued.

Cr.

Appendix, No. 17.

TOTAL Territorial and Political Credits Abroad, brought forward		£.	15,212,135	Account of Stock of the East India Company on 1 May 1814.
TERRITORIAL AND POLITICAL CREDITS AT HOME AND AFLOAT, ON 1st MAY 1814:				
What due from His Majesty's Government for Stores and Supplies, Expeditions, &c. old Account	£.	960,000		
Ditto on account of recent Expeditions, taking the Expenditure both in India and England, to 1st May 1814, including Interest to that date	£.	2,218,215	3,178,215	
Cargoes afloat outward of Territorial Stores consigned to Prince of Wales' Island			31,244	
Treasure afloat homeward, consignment from Madras, per Stirling Castle			280,000	
* What the Company paid for their Dead Stock in India			400,000	
* <i>Memorandum</i> :—The Amount of Dead Stock in India for which credit is above taken as a Territorial Asset, was created by an Expenditure incurred long before the commencement of the Company's Territorial Administration in India; such Expenditure therefore must necessarily have been wholly defrayed from Commercial Funds, and the credit given to Territory for the property thence resulting has reference only to its use and occupation (for the greater part) for Territorial purposes.			3,889,459	
TOTAL Territorial and Political Credits Abroad and at Home		£.	19,101,594	
COMMERCIAL CREDITS ABROAD, 1st MAY 1814:				
Cash in the Commercial Departments, 1st May 1814.		£.		
Bengal	S.Rs. 8,04,250 - C.R.	9,32,930	93,293	
Fort St. George	- Pags.	1,37,925	55,170	
Bombay	- B.R.	68,430	7,698	
			156,161	
China	Tales 283,310 - £.	94,437		
Cape of Good Hope	R.D. 85,802 a'4/ and 84 per cent. premium }	9,326		
			103,763	
Goods and Merchandize in the Export Warehouses at the Factories, &c. 1st May 1814.				
Bengal	S.Rs. 46,82,649 - C.R.	54,31,873	£. 543,187	
Fort St. George	- Pags.	10,98,058	439,223	
Bombay	- B.R.	14,93,985	168,073	
			1,150,483	
China	Tales	498,465	166,155	
			1,316,638	
Goods and Merchandize in the Import Warehouses, 1st May 1814.				
Bengal	S.Rs. 63,22,903 - C.R.	73,34,567	£. 733,457	
Fort St. George	- Pags.	8,01,497	320,599	
Bombay	- B.R.	16,63,526	187,146	
			1,241,202	
China	Tales 19,631	6,544		
Cape of Good Hope	R.D. 434,517	47,230	53,774	
			1,294,976	
Debts owing to the Company, including Advances for the Investment, on May 1814.				
Bengal	S.Rs. 52,23,382 - C.R.	60,59,123	£. 605,912	
Fort St. George	- Pags.	436,215	174,486	
Bombay	- B.R.	7,67,666	86,362	
			866,760	
China	Tales 1,792,593	597,531		
Cape of Good Hope, R.D. 463,666 a'4/ and 84 per cent. prem.		50,399		
			647,930	
			1,514,690	
Commercial Credits Abroad, carried forward		£.	4,386,228	
TOTAL Territorial and Political Credits Abroad and at Home, carried forward		£.	19,101,594	

II.
FINANCE.

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Appendix, No. 17.

Account of Stock
of the East India
Company on
1 May 1814.

D^r - - - - No. 17.—Stock per Computation of the East India Company on

TOTAL Territorial and Political Debts Abroad and at Home, brought forward -		£.	34,619,657
Commercial Debts Abroad, brought forward -		£.	296,626
COMMERCIAL DEBTS AT HOME, ON 1st MAY 1814 :			
Bills of Exchange unpaid from China, comprising all Bills drawn to the close of the China season, 1813-14 - - - - -	£.	221,353	
Customs on Goods sold and unsold - - - - -		124,007	
Bank for a Loan on Mortgage of the Annuities - - - - -		700,000	
Interest on Loans from the Bank - - - - -		15,300	
Freight and Demorage - - - - -		67,500	
Supracargoes' Commission - - - - -		55,668	
Proprietors of Private Trade, on all Goods sold - - - - -		574,000	
Almshouses at Poplar - - - - -		66,289	
Owing for Export Goods - - - - -		474,344	
Warehouse and other contingent Funds - - - - -		27,588	
Warrants unpaid - - - - -		50,000	
Teas returned by the buyers and resold - - - - -		971	
Dividends on Stock - - - - -		56,996	
Interest on Bonds - - - - -		68,555	
		2,502,571	
TOTAL Commercial Debts Abroad and at Home - - - - -			2,799,197
Add, the Amount of the Company's Home Bond Debt, including Amount advanced on Bonds deposited with the Bank - - - - -			37,418,854
			4,601,892
		£.	42,020,746
Total Territorial Debts Abroad and at Home - - - - -	£.	34,619,657	
Ditto - - Credits - - ditto - - - - -		19,101,594	
Balance deficient in the Territorial and Political Branch -		£.	15,518,063
Total Commercial Debts Abroad and at Home - - - - -	£.	2,799,197	
Ditto - - Credits - - ditto - - - - -		22,067,935	
Balance in favour in the Commercial Branch - - - - -			19,268,738
Balance in favour - - - - -			3,750,675
Deduct, the Amount of the Company's Home Bond Debt (as above) - - - - -			4,601,892
NET BALANCE deficient, deducting the Home Bond Debt - - -		£.	851,217

East India House, }
22 March 1832. }

1st May 1814, both in *India* and in *England*—continued.

Cr.

Appendix, No. 17.

Account of Stock
of the East India
Company on
1 May 1814.

TOTAL Territorial and Political Credits Abroad and at Home, brought forward -		£.	19,101,594
Commercial Credits Abroad, brought forward - - -		4,386,228	
COMMERCIAL CREDITS AT HOME AND AFLOAT, ON 1st MAY 1814:			
Due from the Public to the Company, East India		£.	
Annuities, engrafted on the 3 per cent. Reduced,			
per Act 33 Geo. 3, c. 47 - - - -		1,207,560	
Cash, its Balance on 1st May 1814 - - -		695,860	
The Amount of Goods sold, not paid for - -		2,844,522	
The Honourable Board of Ordnance, for Saltpetre		77,969	
The value of Goods in England unsold - - -		4,521,552	
Cargoes outward, afloat - - - - -		1,493,162	
Ditto - homeward, afloat - - - - -		3,674,517	
Balance due on Commercial Consignments to Ba-			
tavia - - - - -		161,146	
Amount of Goods for export on hand or in course			
of preparation - - - - -		533,308	
Impress and War Allowances paid Owners of Ships			
not arrived in England - - - - -		707,797	
Value of Ships, Sloops and Vessels, exclusive of			
those stationed abroad - - - - -		84,650	
Due from Government on account of Hemp, in-			
cluding as well the Advances in India as in Eng-		528,825	
land, and with the Interest to 1st May 1814 -		1,138,000	
The value of the East India House and Warehouses			
Due from sundry Persons returned from India and			
in India, to be repaid in England - - -		12,839	
		17,681,707	
TOTAL Commercial Credits Abroad and Home - - -			22,067,935
		£.	41,169,529
BALANCE Deficient - - -			851,217
		£.	42,020,746

Memorandum:—In the above Statement the Amount of outstanding Home Bond Debt has not been placed to the separate Account either of Territory or of Commerce; but according to a letter from the Court of Directors to the Board of Commissioners, under date the 10th March 1832, this Debt is held by the Court to be Territorial.

IN this Account the article of DEAD STOCK is valued at 400,000 *l.*, which includes Buildings and Fortifications, Plate, Household Furniture, Plantations, Farms, Sloops, Vessels, Stores and other articles of Dead Stock, according to Lord Godolphin's Award in 1702; whereas the whole of the Sums of Money expended in Buildings and Fortifications by the latest advices from the Company's several Settlements for the acquisition and maintenance of their Possessions, and the nearest estimated value of other articles of Dead Stock, is as follows:

	BUILDINGS and FORTIFICATIONS.		Plate, Household Furniture, Plantations, Farms, Sloops, Vessels, Stores, &c.		TOTAL.
	Political.	Commercial.	Political.	Commercial.	
	£.	£.	£.	£.	£.
Bengal - - -	5,304,607	325,540	1,735,105	35,449	7,400,701
Madras - - -	1,893,204	38,015	466,112	8,594	2,405,925
Bombay - - -	1,455,387	5,594	293,527	53,979	1,808,487
Bencoolen - - -	246,472	-	69,855	-	316,327
St. Helena - - -	44,350	-	98,917	-	143,267
Fort Cornwallis, including under the head of Poli- tical the amount de- scribed in the Indian Statements Commercial	113,059	-	19,061	-	132,120
Malacca - - -	3,551	-	518	-	4,069
£.	9,060,630	369,149	2,683,095	98,022	12,210,896

(Errors excepted.)

(signed)

T. S. Cabell,
Dep^y Acc^t Gen^l.

Appendix, No. 18.

Appendix, No. 18.

Account of Stock
of the East India
Company on
1 May 1829.STOCK per Computation of the East India Company, on 1st May 1829, both in *India* and in
Bombay Rupee, 2 s. 3 $\frac{3}{4}$ d. the Madras Rupee (or at 3 $\frac{1}{2}$ Madras Rupees for a Pagoda

Dr.

TERRITORIAL AND POLITICAL DEBTS ABROAD:			
India Debt bearing Interest, on 1st May 1829:			
BENGAL:		S.Rs.	
Loans at 6 per cent. - - - - -		8,10,18,581	
Ditto - 5 - ditto - - - - -		21,15,65,462	
Ditto - 4 - ditto - - - - -		21,89,567	
Her late Highness the Bhow Begum's Stipend Fund		55,98,435	
Treasury Notes - - - - -		25,45,280	
Other Debts and Deposits bearing Interest - -		44,56,711	
	S.Rs.	30,73,74,036	C.Rs. £.
			a' 2/ 35,65,53,882
FORT ST. GEORGE:		M.Rs.	
Loans at 8 per cent. - - - - -		1,54,000	
Ditto - 6 - ditto - - - - -		1,04,631	
Other Debts and Deposits bearing Interest, including the Carnatic Fund - - - - -		2,73,46,286	
	M.Rs.	2,76,04,917	a' 2/3 $\frac{3}{4}$ 3,154,848
BOMBAY:		B.Rs.	
Debts and Deposits bearing Interest at 8 per cent.		19,01,151	
Ditto - - - - ditto - - - 6 ditto -		20,35,431	
Ditto - - - - ditto - - - 4 ditto -		10,26,004	
			B.Rs. 49,62,586
			a' 2/3 558,291
PRINCE OF WALES' ISLAND, SINGAPORE AND MALACCA:		S.Rs.	
Debts and Deposits bearing Interest - - -		- - -	80,632 a' 2/p' C.R. 9,353
Total Territorial Debts in India on 1st May 1829, bearing Interest - £.			39,377,880
Debts in India not bearing Interest, on 1st May 1829:			
Bengal, including Arrears of Interest and Allow- ances - - - S.Rs. 8,29,33,116 - C.Rs.	9,62,02,414	£.	9,620,241
Fort St. George - ditto - - - M.Rs.	1,01,92,150		1,164,817
Bombay - - - ditto - - - B.Rs.	47,73,999		537,075
P. W. Island, Singapore and Malacca, ditto - S.Rs.	1,36,221		15,802
		£.	11,337,935
Deduct, the Amount paid in England for Off-reckonings on Fur- lough and Retirement, beyond the Amount adjusted in the India Books - - - - -			676,817
Total Territorial Debts in India on 1st May 1829, not bearing Interest -			10,661,118
TOTAL Territorial and Political Debts Abroad, carried forward - - £.			50,038,998

Appendix, No. 18.

Appendix, No. 18.

England; the Indian Stock Accounts calculated at the Rates of 2s. the Current Rupee, 2s. 3d. the of 8s.), and 6s. 8d. for the China Tale (exclusive of the COMPANY'S CAPITAL STOCK.)

Cr.

Account of Stock
of East India
Company on
1 May 1829.

TERRITORIAL AND POLITICAL CREDITS ABROAD.				£.	£.
Cash and Bills receivable in the several Departments, on 1st May 1829:					
Bengal - - -	S.Rs. 2,71,30,853 - C.Rs.	3,14,71,789		3,147,179	
Fort St. George - - -	M.Rs.	2,10,27,915		2,403,190	
Bombay - - -	B.Rs.	1,56,91,884		1,765,337	
Prince of Wales' Island, Singapore, and Ma- lacca - - -	S.Rs.	2,47,490		28,709	
		£.		7,344,415	
St. Helena - - -				22,881	
Advances made in England to several Public Institutions repayable in India, not realized in India at the close of the Official Year 1828-29 - - -					7,367,296
Stores in the several Departments on 1st May 1829:					87,429
Bengal - - -	S.Rs. 2,66,82,180 - C.Rs.	3,09,51,329		3,095,133	
Fort St. George - - -	M.Rs.	1,94,41,988		2,221,941	
Bombay - - -	B.Rs.	1,21,24,919		1,364,054	
Prince of Wales' Island, Singapore and Ma- lacca - - -	S.Rs.	8,07,088		93,622	
		£.		6,774,750	
St. Helena - - -				147,467	
Debts owing to the Company, including Arrears of Revenue, on 1st May 1829:					6,922,217
Bengal - - -	S.Rs. 4,80,06,132 - C.Rs.	5,56,87,113		5,568,711	
Fort St. George - - -	M.Rs.	1,94,43,435		2,222,107	
Bombay - - -	B.Rs.	82,35,747		926,521	
Prince of Wales' Island, Singapore and Ma- lacca - - -	S.Rs.	2,25,282		26,133	
		£.		8,743,472	
St. Helena - - -				4,592	
Amount of Securities purchased by the Commissioners for the the reduction of the Company's Debts in India, included in the Amount of Debt, per Contra - - -					8,748,064
	S.Rs.	2,39,96,763		2,783,624	
TOTAL Territorial and Political Credits Abroad, carried forward				- £.	25,908,630

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Appendix, No. 18.

Account of Stock
of the East India
Company on
1 May 1829.

D^r - - - - - No. 18.—Stock per Computation of the East India Company

TOTAL Territorial and Political Debts Abroad, brought forward - -		£.	50,038,908
TERRITORIAL AND POLITICAL DEBTS AT HOME, ON 1st MAY 1829:			
Bills of Exchange unpaid from India and St. Helena, drawn in liquidation of Principal and Interest of Indian Debt, &c.; comprising all Bills drawn up to the close of the Indian Year of Account, 1828-29 - - - - -	£.	1,152,966	
Warrants passed the Court unpaid - - - - -		78,646	
Owing for Territorial Stores provided for Exportation - - - - -		54,711	
Unclaimed Prize Money, applicable to Lord Clive's Fund (Act 1 & 2 Geo. 4), bearing Interest at 5 per cent. - - - - -		68,287	
The Commercial Branch for Territorial and Political Payments made in England, from 1st May 1814 to 1st May 1829 (including Interest) - - - - -		4,631,906	
His Majesty's Government; balance due on account of Pay-office and all other demands in the Territorial Department, taking the Receipt and Expenditure on account of His Majesty's Government both in India and in England, to 1st May 1829 - - - - -		630,605	
			6,617,121
TOTAL Territorial and Political Debts Abroad and at Home - -		£.	56,656,119
COMMERCIAL DEBTS ABROAD, ON 1st MAY 1829:			
Bengal, including Arrears - S.Rs. 12,64,500 - C.Rs. 14,66,820	£.	146,682	
Fort St. George, ditto - - - - - M.Rs. 4,126		471	
Bombay - - ditto - - - - - B.Rs. 72,721		8,181	
		155,334	
China, (23d February 1829) - - - - - Tales 592		197	
Bills payable drawn from Canton on Bengal, omitted to be stated as a Debt upon the Bengal Quick Stocks - - - - - S.Rs. 6,77,987 a' 2/ p' C.R. 78,646			
Commercial Debts Abroad - -	£.	234,177	
Carried forward - -	£.	234,177	56,656,119

on 1st May 1829, both in *India* and in *England*—continued. - - - - -

Cr.

Appendix, No. 18.

TOTAL Territorial and Political Credits Abroad, brought forward - -	£.	25,908,630
TERRITORIAL AND POLITICAL CREDITS AT HOME AND AFLOAT OUTWARD, ON 1st MAY 1829.		
	£.	
Cargoes of Territorial Stores afloat outward, on 1st May 1829 -	359,598	
Amount of Territorial Exports in hand, or in course of preparation, on 1st May 1829 - - - - -	113,958	
What owing from sundry persons for Advances, repayable in England - - - - -	26,149	
Bills of Exchange drawn on His Majesty's Government for Supplies furnished in India, unpaid 1st May 1829 - - -	80,229	
Value of Carnatic Stock belonging to the Company - - -	34,037	
Value of the East India College at Haileybury and of the Military Seminary at Addiscombe - - - - -	177,220	
Due from His Majesty's Government for an Advance made at the Cape of Good Hope, given credit for to the Commercial Branch on being transferred for Adjustment in the General Government Account - - - - -	18,203	
Balances in hands of Officers of the House, &c. of Sums advanced to pay Political Charges - - - - -	3,670	
What the Company paid for their Dead Stock in India - -	* 400,000	
		1,213,064

* The Amount of Dead Stock in India for which Credit is above taken as a Territorial Asset, was created by an Expenditure incurred long before the commencement of the Company's Territorial Administration in India, such Expenditure, therefore, must necessarily have been wholly defrayed from Commercial Funds, and the Credit given to the Territory for the property thence resulting, has reference only to its use and occupation (for the greater part) for Territorial purposes.

TOTAL Territorial and Political Credits Abroad and at Home - - £. 27,121,694

COMMERCIAL CREDITS ABROAD, ON 1st MAY 1829.

Cash in the Commercial Department, 1st May 1829.

		£.
Bengal - - - S.Rs. 24,12,942 - C.Rs.	27,99,013	279,901
Fort St. George - - - - - M.Rs.	1,94,570	22,237
Bombay - - - - - B.Rs.	1,48,728	16,732
		318,870
China (23 February 1829) <i>Tales</i> - 55,036 - £.	18,345	
Cape of Good Hope - - - - -	2,799	
		21,144

Goods and Merchandize in the Import Warehouses,
1st May 1829:

		£.
Bengal - - S.Rs. 2,18,702 - C.Rs.	2,53,694	25,369
Fort St. George - - - M.Rs.	79,368	9,071
Bombay - - - - - B.Rs.	2,28,250	25,678
		60,118
China (23 Feb. 1829), <i>Tales</i> 6,595 - £.	2,198	
Cape of Good Hope - - - - -	57,161	
	59,359	
		119,477

Commercial Credits Abroad, carried forward - - £.

459,491

TOTAL Territorial and Political Credits, Abroad and at Home, carried forward, £. 27,121,694

Appendix, No. 18.

D^r - - - - - No. 18.—Stock per computation of the East India CompanyAccount of Stock
of the East India
Company on
1 May 1829.

TOTAL Territorial and Political Debts Abroad and at Home, brought forward -		£.	56,656,119
Commercial Debts Abroad, brought forward	- £.	234,177	
 * The Balances on account of Sunn Hemp provided for His Majesty's Government, which have been continued in the Quick Stocks, are deducted in the above Account; these items having been settled in account with His Majesty's Government in England, under the heads of			
	S.Rs.		
Goods in the Export Warehouse at Bengal	- 3,04,893		
Debts owing, including Advances at ditto	- 1,75,492		
	<u>S.Rs. 4,80,385</u>		
 COMMERCIAL DEBTS AT HOME, ON 1st MAY 1829.			
Bills of Exchange unpaid from China, comprising all Bills drawn to the close of the China Season, 1828-29 - - - - -	£.	140,747	
Customs - - - - -		2,013	
Freight and demorage - - - - -		240,500	
Supracargoes' Commission upon all Goods sold and unsold - - - - -		60,890	
Proprietors of Private Trade upon all Goods sold -		370,067	
Almshouses at Poplar (Poplar Fund) bearing Interest at 5 per cent. per annum - - - - -		245,342	
Unclaimed Prize Money applicable to ditto (Act 1 & 2 Geo. 4) - - ditto - - ditto - - -		36,670	
Ditto, of which the appropriation has not yet been ascertained - - - - -		43	
Commercial Debts at Home, carried forward £.		1,096,272	
Carried forward - - - £.		234,177	56,656,119

on 1st May 1829, both in *India* and in *England*—continued.

Cr.

Appendix, No. 18.

TOTAL Territorial and Political Credits, Abroad and at Home, brought forward				£.	27,121,694
Commercial Credits Abroad, brought forward - - £.				459,491	
Goods and Merchandize in the Export Warehouses, 1st May 1829.					
* Bengal - S.Rs. 60,27,992 - C.Rs.	69,92,472	£.	699,247		
Fort St. George - - - M.Rs.	18,00,924		205,820		
Bombay - - - B.Rs.	1,30,863		14,722		
			919,789		
China (23 Feb. 1829) - - - Tales	1,105,704		368,568		
			1,288,357		
Debts owing to the Company, including Advances for Investment, on 1st May 1829.					
* Bengal - S.Rs. 90,45,788 - C.Rs.	1,04,93,114	£.	1,049,311		
Fort St. George - - - M.Rs.	7,58,064		86,636		
Bombay - - - B.Rs.	9,68,176		108,920		
			£. 1,244,867		
China (23 Feb. 1829) Tales 132,712	£. 44,237				
Cape of Good Hope - - -	3,508				
			47,745		
Advances on account of Investment, &c. at Surat and Malabar, omitted in Bombay Quick Stocks, B.Rs.	3,07,162		1,292,612		
			34,556		
Amount of Property in the North American Colonies, on 1st May 1829, and Afloat from China.					
CANADA :					
Cash - - - - Halifax currency	£.	213			
Unsold Goods - - - -		184,388			
		£. 184,601			
a' 4/1 1/2 sterling for a currency dollar of 5/ - £. sterling			152,296		
HALIFAX :					
Cash - - - - Halifax currency	£.	4,214			
Unsold Goods - - - -		66,471			
Debts - - - -		2,586			
		£. 73,271			
a' 4/6 for a currency dollar of 5/ and 12 per cent. premium - - - - £. sterling		58,880			
Add Cargoes Afloat, between China and Halifax, on 1st May 1829, Tales 277,666					
a' 6/8 - - - -		92,555			
			151,435		
			303,731		
Commercial Credits Abroad - - - £.				3,378,747	
COMMERCIAL CREDITS AT HOME AND AFLOAT, ON 1st MAY 1829.					
What due from the Public to the Company, East India Annuities engrafted on the 3 per cents. reduced, per Act 33 Geo. 3, c. 47 - - -				£.	
Cash, its balance on 1st May 1829 - - -				1,207,560	
Amount of Goods sold not paid for - - -				1,081,563	
				891,616	
Value of Goods in England unsold - - -				5,597,959	
Export Goods on hand, and in course of preparation - - -				172,602	
Cargoes afloat outward - - -				522,408	
Cargoes afloat homeward - - -				2,813,252	
Remittances from British North American Colonies, in transitu - - -				10,725	
Impress paid Owners of Ships not arrived in England - - -				92,957	
Value of Ships, Sloops and Vessels, exclusive of those stationed abroad - - -				173,199	
Commercial Credits at Home, carried forward £.			12,563,841		
Carried forward - - - £.				3,378,747	27,121,694

Account of Stock
of the East India
Company, on
1 May 1829.

II.
FINANCE.

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Appendix, No. 18.

D^r - - - - - No. 18.—Stock per Computation of the East India Company

Account of Stock
of the East India
Company on
1 May 1829.

TOTAL Territorial and Political Debts Abroad and at Home, brought forward		-	£.	56,656,119
Commercial Debts Abroad, brought forward	- -	£.	234,177	
Commercial Debts at Home, brought forward	£.	1,096,272		
Warrants passed the Court unpaid	- - -	44,192		
What owing for Teas returned by the buyers and resold	- - - - -	971		
Dividends on Stock	- - - - -	48,407		
Interest on Bonds	- - - - -	30,126		
Owing for Export Goods	- - - - -	62,992		
Amount owing to the Fee Funds and Widows' Funds, the latter bearing Interest at 5 per cent.	- -	6,504		
Amount due to the Trustees of the Deccan Booty, on Consignments of Bullion from the Prize Funds in India	- - - - -	10,762		
			1,300,226	
TOTAL Commercial Debts Abroad and at Home		- - -		1,534,403
Add,				
The Amount of the Company's Home Bond Debt, bearing Interest		3,780,475		
Ditto - - - not bearing Interest	- - - - -	15,417		
				3,795,892
			£.	61,986,414
	£.	£.	£.	
Total Territorial and Political Debts Abroad and at Home	- - - - -	56,656,119		
Ditto - - - - - Credits ditto	- - - - -	27,121,694		
Balance deficient in the Territorial and Political Branch	-		29,534,425	
Total Commercial Debts Abroad and at Home	£.	1,534,403		
Ditto - - - Credits ditto	- - - - -	22,636,585		
Balance in favour, in the Commercial Branch	- - -		21,102,182	
Balance deficient	- - - - -		8,432,243	
Add, the Amount of the Company's Home Bond Debt, as above	- - - - -		3,795,892	
TOTAL BALANCE deficient, including the Home Bond Debt	- -	£.		12,228,135

East India House,
29 August 1832.

1st May 1829, both in India and in England—continued. - - - - - Cr.

Appendix, No. 18.

TOTAL Territorial and Political Credits Abroad and at Home, brought forward -			£.	27 121,694	Account of Stock of the East India Company on 1 May 1829.
Commercial Credits Abroad, brought forward - -	£.	3,378,747			
Commercial Credits at Home and Afloat, brought forward - - - -	£.	12,563,841			
Value of the East India House and Warehouses -		1,294,768			
What owing from sundry persons for advances repay- able in England - - - -		6,333			
Balances in hands of officers of the house and ware- house-keepers, of sums advanced to pay commer- cial charges - - - -		48			
Stock in the Public Funds standing in the Company's name, valued at the market prices on 1st May 1829		760,942			
Territorial Branch for Territorial and Political Pay- ments made in England between 1st May 1814 and 1st May 1829, (including interest) - -		* 4,631,906			
		19,257,838			
TOTAL Commercial Credits Abroad and at Home - - -				22,636,585	
			£.	49,758,279	
BALANCE Deficient - - -				12,228,135	
			£.	61,986,414	

* The Balance due to the Commercial Branch is subject to adjustment, with reference to the amount with which the Territorial Branch is chargeable in respect to the loss upon Consignments of Merchandize, made with a view to meet the demands upon the Home Treasury for Bills of Exchange drawn for Interest of India Debt, in conformity with the Plan of 1814, for the arrangement of the Home Accounts.

In the period from 1st May 1814 to 1st May 1829, there has also been advanced or set apart from the Surplus Commercial Profits in England, the sum of 4,923,021*l.* towards the liquidation of Indian Territorial Debt, which being a Payment under the fourth head of Appropriation of the 57th section of the 53 Geo. 3, is not held to constitute a Claim upon the Territorial Department for repayment, upon the principle observed in respect to other Political Advances.

In the above Statement, the Amount of the Outstanding Home Bond Debt has not been placed to the separate account, either of Territory or of Commerce; but according to a Letter from the Court of Directors to the Board of Commissioners, under date the 10th March 1832, this Debt is held by the Court to be Territorial.

IN the above Account the article of DEAD STOCK is valued at 400,000*l.* which includes Buildings and Fortifications, Plate, Household Furniture, Plantations, Farms, Sloops, Vessels, Stores and other articles of Dead Stock, according to Lord Godolphin's Award in the Year 1702; whereas the whole of Sums of Money expended in Buildings and Fortifications by the latest advices from the Company's several settlements, for the acquisition and maintenance of their Possessions, and the nearest estimated value of other articles of Dead Stock, is as follows:

	BUILDINGS and FORTIFICATIONS.		Plate, Household Furniture, Plantations, Farms, Sloops, Vessels, Stores, &c.		TOTAL.
	Political.	Commercial.	Political.	Commercial.	
	£.	£.	£.	£.	£.
Bengal, 30th April 1829	6,148,977	380,266	4,016,150	22,569	10,567,962
Madras - - - -	2,102,045	39,592	440,378	20,287	2,602,302
Bombay - - - -	1,778,254	91,818	425,436	1,674	2,297,182
St. Helena - - -	1,22,612	- - -	18,933	- - -	141,545
Prince of Wales' Island -	169,774	- - -	62,465	- - -	232,239
Singapore - - -	15,583	- - -	3,040	- - -	18,623
Malacca - - - -	1,696	- - -	2,086	- - -	3,782
China, 23d February 1829	- - -	3,883	- - -	6,239	10,122
£.	10,338,941	515,559	4,968,488	50,769	15,873,757

(Errors excepted.)

Thos S. Cabell,
Acc^t Gen^l.

Appendix, No. 19.

Appendix, No. 19.

Appropriation of
the Surplus Profits
of the East India
Company.

CORRESPONDENCE, &c. relating to the APPROPRIATION of the SURPLUS
COMMERCIAL PROFITS of the EAST INDIA COMPANY.

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- 1.—Account of Profit and Loss on all Goods sold by the East India Company in the Year 1814–15, distinguishing India and China, together with all other Commercial Profits accrued in England in the same period; also showing the Surplus remaining, after providing for payment of the Dividends on the Capital Stock, and the Interest on the Home-Bond Debt - - - - - p. 276
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- 10.—Ditto - ditto - - ditto - - 1816–17 p. 291
- 11.—Account of Surplus Commercial Profits of the East India Company, after payment of the Dividends on the Capital Stock, from 1st May 1814 to 1st May 1831, together with the Amount appropriated in the same period, and showing the Balance remaining unappropriated on 1st May 1831; prepared in accordance with the Opinion of the Company's Standing Counsel, as it respects the Home-Bond Debt discharged - - - - - p. 293

India Board, Westminster, }
16 March 1832.

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CORRESPONDENCE.

LETTER from *Thomas P. Courtenay, Esq.* to *James Cobb, Esq.*;
dated India Board, 7th January 1818.

Sir,

THE Commissioners for the Affairs of India, having taken into their consideration the Act of the 53d of the King, c. 155, with reference to the appropriations of the net proceeds of the sales of goods, and all commercial profits, &c. in Great Britain, have directed me to request that you will move the Court of Directors that information may be furnished to the Board, whether any measures have been adopted or are in contemplation, to carry into effect the appropriation prescribed under the 4th head in the 57th section of the said Act.

I am, &c.

(signed) *Thomas P. Courtenay.*

LETTER from *Joseph Dart, Esq.* to *T. P. Courtenay, Esq.*;
dated East India House, 31st January 1818.

Sir,

YOUR letter of the 7th instant, addressed to Mr. Cobb, referring to the subject of the appropriations of net proceeds, &c. contained in the Act of the 53d of the King, and requesting that information be furnished the Board of Commissioners for the Affairs of India, whether any measures have been adopted, or are in contemplation, to carry into effect the appropriation prescribed under the 4th head of the 57th section of the Act, has been duly submitted to the Court of Directors.

I have the Court's commands to inform you, that by certain accounts which I am directed to transmit to you for the information of the Board of Commissioners, it will be apparent to the Board that the Court deem the surplus applicable to the appropriation under the 4th head of the 57th section to have amounted, in the years 1814–15, 1815–16, and 1816–17, to 1,979,032 *l.*

From this aggregate surplus, the Court have appropriated in the same period 718,248 *l.* in discharge of Indian debt, and 628,300 *l.* in reduction of the home-bond debt, by bonds paid off or paid in for goods bought at the sales; the total sum appropriated being 1,346,548 *l.*; for which appropriations the Court of Directors have to request the approbation of the Board of Commissioners.

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The Board will perceive that the sum of 632,484 *l.* of the aggregate surplus still remains unappropriated.

The Court of Directors, however, have it not in contemplation at present to adopt measures for a further appropriation; they deem it inexpedient to do so for many reasons, principally because the constitution of the Company's home financial operations induces at all times the necessity of maintaining a large and available balance of cash in the Treasury.

The uncertainty of the amount of the drafts from India on account of the interest on Indian debt will alone evidence this necessity; but the Court have now an additional reason for so doing, with a view to provide for the payment of such part of the principal of the home-bond debt as may be demanded by the holders after the 31st March next, in consequence of the notice issued for the reduction of its interest; and although, from the present price of these securities in the money-market, the Court do not apprehend that demands for the payment of principal will to any magnitude be made upon the Company, yet the Court deem it prudent to be prepared for any contingency.

The Board will necessarily observe, in the accounts herewith transmitted, a charge for a premium of insurance at a certain per-centage, to cover losses by sea.

The Court have directed the introduction of this charge for the purpose of framing the Company's accounts upon the correct principle of mercantile transactions, and of creating, by an aggregate of premiums, a fund to provide against losses of extreme magnitude, to the end that these losses should not operate in any one year in suspension or diminution of the dividend to the proprietors.

It may be said that the profit of the Company's insurance account is as much within the purview of the Act as any other commercial profit; but the Court of Directors are persuaded it can by no means be held to follow, that the total amount of risks annually terminated ought to be considered in the light of available profit, while other risks of great account are undecided. The rate of premium is formed not singly in reference to the operations of one or two years, but to an average of years. This desire of the Court of Directors to create an insurance fund is not new, or for the first time brought to the notice of the Board; but the proposal is now renewed, with some modifications, which the Court trust will induce a re-consideration of the subject, and remove the objections formerly urged against it.

The Court of Directors therefore propose to charge a premium of insurance upon the commercial exports, imports and shipping of the Company; that the amount of these premiums be passed to the credit of an account, entitled "General Sea Insurance Account," and all losses to its debit; that the amount of premiums beyond losses, which on 1st May 1817 amounted to 332,776 *l.*, be allowed to accumulate until a fund be created to the amount of 500,000 *l.*; that all accumulation beyond this sum of 500,000 *l.* be carried to the credit of profit and loss, and thus form a part of the sum to be appropriated under the Act of the 53d. If losses occur so as to reduce the balance below 500,000 *l.*, the application of premiums to profit and loss to be suspended until the balance shall again exceed that amount.

The Board will perceive that the intention of this arrangement is to afford an additional security for the dividend, but at the same time without appropriating the profit or the excess of the insurance fund to other than its legitimate object. The application of the surplus profit to the purposes of the 4th head of the 57th clause is not defeated, but merely delayed.

The object in view might be obtained were the Company to effect insurances at the offices in London, or at Lloyd's Coffee-house; and the premiums so expended would constitute a portion of the Company's commercial outgoings; but in this case, the profit of the insurance would not rest with the Company, and the appropriations under the 4th head of the 57th section of the Act would be permanently affected.

The advantage of the Court's proposal is therefore so clearly manifest, that the Court rely with great confidence upon the sanction of the Board of Commissioners for its being immediately carried into effect.

I have the honour to be, &c.

(signed) *J. Dart*, Assistant Secretary.

LETTER from *Thomas P. Courtenay*, Esq. to *James Cobb*, Esq.;
dated India Board, 17th February 1818.

Sir,

I HAVE to acknowledge the receipt of the letter from Mr. Dart, of the 31st ult. with its enclosures, relating to the appropriation of the surplus profits of the trade of the East India Company in England, from 1st May 1814 to 30th April 1817. Having brought the same under the consideration of the Commissioners for the Affairs of India, I am instructed to request that you will signify to the Court of Directors, that previously to entering into the matter of your letter, the Board conceive it necessary to be furnished with further information on the following points:

1st. The deduction from the profit of 4 per cent. on the prime cost of the investment, as an insurance to cover losses by sea. The Board, in considering the proposal of the Court on this point, as communicated in your letter, have necessarily had reference to the plan of arrangement for keeping the books of account in England, as approved by them, and transmitted with my letter of 30th June 1814, in which the charge is objected to; also to my letter of 24th February 1815, expressing the opinion of the Board, that insurance could not

not be legally introduced in the manner proposed by the Court, in the Circular Commercial Draft, No. 82; which draft was therefore disapproved. Information is requested whether the question as to the legality of the institution of an insurance fund in the manner proposed, has been submitted for the opinion of the law officers of the Company?

2d. The interest on the balance due from the territorial branch at the close of the years 1814-15 and 1815-16, not invested for consignment to England, conformably to the provisions of the Act of the 53 Geo. 3. The principle of this charge has not yet been submitted to the Board. The Board desire that an account may be forthwith prepared, exhibiting in detail the manner in which the alleged balance in each year was produced, and the grounds upon which interest thereon is proposed to be charged by the commercial to the territorial department.

3d. A specification of the particulars of the sums stated to have been appropriated to the discharge of the Indian debt in the years 1814-15, 1815-16 and 1816-17, so far as relates to the description of loans thus liquidated.

4th. A specification of the sums stated to have been appropriated in reduction of the home-bond debt in the same years; distinguishing the bonds paid off from the bonds paid in for goods; stating likewise, whether such bonds, so paid off and paid in, have been cancelled, or are held re-issuable.

5th. A specification of the particulars of charges merchandize in the same years.

I am, &c.

(signed) *Tho. P. Courtenay.*

LETTER from *Thomas P. Courtenay, Esq.* to *James Cobb, Esq.*;
dated India Board, 29th May 1818.

Sir,

I AM directed by the Commissioners for the Affairs of India to request that you will call the attention of the Court of Directors to my letter of 17th February last, requiring further information upon certain points connected with the appropriation of the surplus profits of the East India Company in England, and that you will signify the desire of the Board that such information may be furnished forthwith, so far as practicable.

I am, &c.

(signed) *Tho. P. Courtenay.*

LETTER from *Thomas P. Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 23d July 1818.

Sir,

I AM directed by the Commissioners for the Affairs of India to request that you will again call the attention of the Court of Directors to my letter to Mr. Cobb, of 17th Feb., calling for explanations respecting the appropriation of the surplus profits of the trade of the East India Company, and which call was repeated by direction of the Board, in my letter of 29th May, and that you will acquaint the Court that the Board desire to be furnished with the information required therein without further delay.

I am, &c.

(signed) *Tho. P. Courtenay.*

LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.*;
dated East India House, 12th August 1818.

Sir,

YOUR letter of the 17th February last, addressed to the late Secretary, Mr. Cobb, requiring further information upon certain points relating to the appropriation of the surplus profits of the trade of the East India Company in England, from the 1st May 1814 to the 30th April 1817, has been laid before the Court of Directors, and I am commanded to transmit the following observations in reply to the several points contained in that letter, and which will be adverted to in the order in which they have been propounded.

Information required by the Board.

Replies.

1st. The deduction from the profit of 4 per Cent. on the prime cost of the investment, as an insurance to cover losses by sea: information is requested whether the question as to the legality of the institution of an Insurance Fund in the manner proposed, has been submitted for the opinion of the law officers of the Company?

By a reference to my letter of the 31st January last, addressed to you by order of the Court, for the information of the Board of Commissioners, it will be perceived that the object had in view by the Court of Directors, in the introduction into the accounts of the charge of insurance, was for the purpose of framing the Company's accounts upon the correct principles of mercantile transactions, and to create, by an aggregate of premiums, a fund to provide against losses

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Replies.

losses of extreme magnitude, to the end that these losses should not operate in any one year in suspension or diminution of the dividend to the proprietors.

Although the Court have not distinctly submitted the question as to the legality of the institution of an insurance fund for the opinion of the law officers of the Company, they have directed a case to be prepared, having reference to the several Charters and Acts of Parliament under which the Company were originally constituted, and their affairs from time to time revised and regulated; which case contains the following queries for the joint opinion of the Attorney and Solicitor-general, and Mr. Serjeant Bosanquet.

1st. "Whether the East India Company are required to make an annual statement of profit and loss?"

2dly. "Whether the Company are bound to deal with, and treat as profit, the whole balance appearing in their favour in any one year, without making any deduction or reservation for contingent losses and adventures, or for such sums as may be likely to be wanted for territorial purposes?"

3dly. "Whether the Company are bound, after satisfying the three first appropriations in 53 Geo. 3, c. 155, s. 57, annually to apply the whole apparent balance, without any deduction or reservation, in extinction of debt, under the 4th appropriation?"

The Opinion of Counsel is as follows:

"We are of opinion that the East India Company are not required to make an annual statement of profit and loss upon their commercial concerns, in the accounts which they render to Parliament; but that it is sufficient for them to state in those accounts the several particulars enumerated in the 33 Geo. 3, c. 52, s. 16, under distinct heads, for the territorial, political and commercial branches of their affairs, conformably to the directions of the 53 Geo. 3, c. 155, s. 64.

"Although it may be necessary, for the purpose of enabling the Company to judge what sums may be applicable to the several appropriations directed by the 53 Geo. 3, c. 155, that estimates of their profit and loss should be made every year, we think that such estimates are not to be considered as conclusive statements by the Company of the amount of their actual profit or loss; and that in such estimates they are not bound to treat as profit the whole cash balance appearing in their favour in any one year, without making reasonable deductions and reservations for contingent losses, as well as for such payments as they may be called upon to make for territorial purposes.

"We are consequently of opinion, that the Company are not bound, after satisfying the three first appropriations directed by the 53 Geo. 3, c. 155, s. 57, annually to apply the whole apparent balance in extinction of debt under the fourth appropriation, without making such reasonable reductions and reservations as we have already mentioned."

It hence appears that the Company are not bound to treat as profit the whole cash balance appearing in their favour in any one year, nor after satisfying the three first appropriations of the 53d, are they bound annually to apply the whole apparent balance in extinction of debt under the fourth appropriation, without making reasonable deductions and reservations for contingent losses.

I am, therefore, directed to acquaint you, for the information of the Board of Commissioners, that this principle being admitted by the Board, it will be unnecessary at present to persevere in the mode detailed to you in my letter of the 31st January last, in respect to the insurance account, except so far as to introduce a charge for insurance into their accounts, for the purpose of exhibiting those accounts on a correct mercantile principle; but the profit apparent on the insurance account will be added to other annual profits, and together be subject to the appropriations of the Act of the 53d.

2dly. That an account may be forthwith prepared, exhibiting in detail the manner in which the alleged balance due from the territorial branch, at the close of the years 1814-15 and 1815-16, was produced, and the grounds upon which interest thereon is proposed to be charged by the commercial to the territorial department.

* *Vide* Appendix, No 5, (1 and 2.)

The accounts, exhibiting in detail the manner in which the balance due from the territorial branch is produced, are herewith transmitted (*No. 1.); the grounds upon which interest is proposed to be charged by the commercial to the territorial department, are chiefly as follows:

The Act of the 53d directed a separation of the accounts of the East India Company into

Information required by the Board.

Replies.

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into the two branches of territory and commerce; an exposition of this Act was transmitted to India, in a despatch from the public department dated 6th September 1813.

The 18th paragraph of this letter states, that "We (the Court) cannot more distinctly explain our views of the sections of the Act which have now been brought under notice, (viz. the 55th and 56th sections) than by observing, that although the management of the whole as one concern remains with us, it is requisite that the political branch should be considered as an affair of government, the commercial as that of a *mercantile transaction*, and by debiting and crediting in account the transactions between them in advances and supplies, as if they were absolutely distinct and separate concerns, so that accounts of receipt, expenditure and balance may be duly rendered by each respectively, in the way required by Parliament."

It will be observed, that in this despatch the commercial branch of the Company's affairs is directed to be considered in the light of a mercantile transaction; the Court apprehend that the charge for interest on any balance resulting from such transaction is in strict conformity with the mercantile principle; the Board itself has in effect recognized the application of this principle, in the approbation of certain paragraphs contained in a commercial despatch to Bombay, under date the 9th April 1817.

In that despatch, the Bombay government was instructed as to the mode of stating the accounts respectively between the territorial and the commercial departments, the 7th paragraph of which is as follows:

"We also desire that the charge for interest," (interest contained in invoices for Europe) "be omitted, for although in the adjustment of payments between the commercial and political branches, the *charge for interest will justly attach on the balance of those payments*, yet this charge must be founded on a general balance of the disbursements respectively made at all the presidencies of India, as well as from our home treasury."

The Court are of opinion also, that the charge for interest, and the rate of that interest, may be upheld from another consideration.

By the 56th section of the 53d, it is provided, that a sum equal to the payments from the commercial funds at home, on account of territorial charges, should be annually applied in India to investment or remittance to England.

In the transactions of the years 1814-15 and 1815-16, the territory has not fulfilled these directions; a large balance is due to the commerce, and to the extent of that balance has the territorial branch been saved the necessity of borrowing money in India.

It must also be recollected, that the competency of the Indian governments to repay the advances made from the commercial branch has been and may again be materially circumscribed by the disbursements of those governments on account of His Majesty's service; these disbursements carry interest, for which interest the territory obtains credit; and if the balance due to the commercial branch did not bear interest, that branch would suffer at a time when funds of a sufficient magnitude to liquidate its demand on the territory were running at an Indian interest in the public account.

3rdly. A specification of the particulars of the sums stated to have been appropriated to the discharge of Indian debt, in the years 1814-15, 1815-16 and 1816-17, as far as relates to the description of loans thus liquidated.

* Vide Appendix, 6.

This account herewith transmitted (*No. 2.)

4thly. A specification of the sums stated to have been appropriated in reduction of the home-bonded debt in the same years, distinguishing the bonds paid off from the bonds paid in for goods, stating likewise whether such bonds, so paid off and paid in, have been cancelled or are held re-issuable.

* Vide Appendix, 7.

The account specifying these particulars is transmitted (*No. 3.)

5thly. A specification of the particulars of charges merchandize in the same years.

* Vide Appendix 8 to 10.

* See No. 4.

I have, &c.
(signed) J. Dart, Secretary.

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LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 22d August 1818.

Sir,

HAVING laid before the Commissioners for the Affairs of India your letter of the 12th instant, furnishing information upon certain points of inquiry stated in my letter of the 17th February, I am directed to acquaint you that although the Board defer communicating their sentiments upon several of the matters to which your letter and its enclosures relate, until they shall have given them full consideration, there is one statement to which they cannot forbear calling the earliest attention of the Court, because it appears to the Board to be manifestly inaccurate, and to require immediate correction.

The Paper, No. 3, which accompanied your letter, purports to be a "Specification of the sums appropriated in the years 1814-15, 1815-16 and 1816-17, to the reduction of the Home-Bond Debt." It appears from this Paper, that of the sum of 628,300*l.* stated to have been so applied, an amount of 100,000*l.* only has been, in fact, applied to the reduction of debt. The remainder, consisting of bonds amounting to 295,000*l.* paid in upon the Company's sales, and of bonds for 232,500*l.* brought up by the Company; both which classes of bonds, amounting together to 528,300*l.* are stated as "not cancelled," but "re-issuable" at the pleasure of the Court. So far as this sum of 528,300*l.* is concerned, therefore, there is no permanent reduction of debt; nor can that amount be deducted from the amount of "surplus profits remaining to be appropriated," until those bonds shall actually have been cancelled, with the approbation of this Board.

With respect to the sum of 100,000*l.* really applied to reduction of debt in the years 1814 and 1815, by cancelling bonds to that amount, the Board feel it their duty to observe, that by the statute, any reduction of bond debt at home (as well as of debt in the East Indies) must be made "with the approbation of the Board of Commissioners." It can hardly be necessary to argue that this approbation must, for any useful purpose, be asked previously to the cancelling of the bonds.

The Board do not mean to withhold their approbation in the present instance, but they trust that the like oversight will be avoided in future.

I am, &c.
(signed) *Thos. P. Courtenay.*

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.;
dated East India House, 16th September 1818.

Sir,

I HAVE the honour to transmit to you the accompanying copy of a Resolution of a Secret Court, to forward to India the sum of 500,000*l.* from the surplus commercial profits of the Company, to be applied to the reduction of the principal of the debt in that country, subject to the approbation of the Right honourable the Board of Commissioners for the Affairs of India, agreeably to the 57th clause of the Act of the 53d Geo. 3, c. 155.

I am commanded to request that you will have the goodness to submit the said Resolution for the approbation of the Board, upon the receipt of which, measures will be taken to carry the same into effect.

I have, &c.
(signed) *J. Dart*, Secretary.

(Enclosure.)

AT a Secret Court of Directors, held on Wednesday, 16th September 1818 :

A Report from a Secret Joint Committee of Correspondence and Treasury, dated 11th instant, being read, and

Finance Letter,
dated 4th April
1818; Mr. Sherer's,
31st March 1818.

The Court having had under consideration the present state of the finances of the Company, both at home and abroad, and having adverted to the financial letters from Bengal which were read in Court on the 9th instant, as also to a statement of the surplus commercial profits of the Company, which has been laid before the Right honourable the Board of Commissioners for the Affairs of India,

Resolved unanimously, That the sum of 500,000*l.* from the surplus commercial profits of the Company, be forthwith forwarded to India, to be applied to the reduction of the principal of the debt in that country, subject to the approbation of the Right honourable the Board of Commissioners for the Affairs of India, under the provisions of the 57th clause of the Act of the 53d Geo. 3, c. 155.

(signed) *J. Dart*, Secretary.

LETTER from *John Wright*, Esq. to *Joseph Dart*, Esq.; dated India Board,
18th September 1818.

Sir,

I HAVE received and laid before the Commissioners for the Affairs of India, your letter of the 16th instant, transmitting copy of a Resolution of a Secret Court, to forward to India the sum of 500,000*l.* from the surplus commercial profits of the Company, to be applied to the reduction of the principal of the debt in that country, and I am directed by the Board to signify their approbation of the same.

I am

I am further directed to enclose a copy of a letter from the Admiralty, and to state that if, for any reason, the Court should not be prepared to send by the Carron the sum which it appears the Carron is capable of conveying, it will be necessary for the Court to intimate the same to the Admiralty forthwith, in order that the ship may not be further detained.

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I am, &c.

(signed) John Wright,
Assistant Secretary.

LETTER from Joseph Dart, Esq. to Thomas P. Courtenay, Esq.;
dated East India House, 2d April 1819.

Sir,

I HAVE the honour to inform you that the Court have this day come to a Resolution of forwarding to India a further sum of 500,000*l.* from the surplus commercial profits in England, to be applied in the redemption of the Indian debt, provided such appropriation of the surplus commercial profit shall meet the approbation of the Right honourable the Board of Commissioners for the Affairs of India.

I have the commands of the Court to transmit to you, for the information of the Board of Commissioners, a copy of this Resolution, for the purpose of obtaining their consent to the appropriation of the surplus commercial profits in the manner now proposed by the Court, agreeably to the provisions of the 57th clause of the Act of the 53 Geo. 3, c. 155.

I have, &c.,

(signed) J. Dart, Secretary.

(Enclosure.)

RESOLUTION of a Court of Directors of the East India Company;
dated 2d April 1819.

Resolved, That with the approbation of the Right honourable the Board of Commissioners for the Affairs of India, the further sum of 500,000*l.* from the surplus commercial profits of the Company, be sent out to Bengal, which, with the sum of 500,536*l.* 18*s.* 8*d.* already transmitted, will make a sum total of 1,000,536*l.* 18*s.* 8*d.* for the purpose of being applied towards the redemption of the debt in India, agreeably to the provisions of the Act of the 53 Geo. 3, c. 155, s. 57, and of the sinking fund plan, which has already received the approbation of the Court and of the Board of Commissioners for the Affairs of India.

(signed) J. Dart, Secretary.

LETTER from Thomas P. Courtenay, Esq. to Joseph Dart, Esq.;
dated India Board, 5th April 1819.

Sir,

I HAVE received, and laid before the Commissioners for the Affairs of India, your letter of the 2d instant, transmitting a copy of a Resolution of the Court of Directors, for forwarding to India a further sum of 500,000*l.* from the surplus commercial profits in England, to be applied in the redemption of the Indian debt, and I am directed by the Board to signify their approbation of the said Resolution.

I am, &c.,

(signed) T. P. Courtenay.

LETTER from the Right hon. George Canning to the Chairman and Deputy Chairman
of the East India Company; dated India Board, 6th August 1819.

Gentlemen,

ALLOW me to request that you will direct the attention of the Court of Directors to the disposal of the Company's commercial surplus, your intentions respecting which ought, according to the Act of Parliament, to be submitted to this Board without delay.

I have, &c.,

(signed) George Canning.

LETTER from the Chairman and Deputy Chairman of the East India Company to
the Right hon. George Canning; dated East India House, 6th August 1819.

Sir,

WE have the honour to acknowledge the receipt of your letter of this day's date, requesting that the attention of the Court may be directed to the disposal of the Company's commercial surplus, and adding, that the Court's intentions respecting which ought, according to the Act of Parliament, to be submitted to the Board without delay.

Appendix, No. 19.

Appropriation of
the Surplus Profits
of the East India
Company.

We beg leave to acquaint you, that we shall avail ourselves of the earliest opportunity to submit the subject of your letter to the consideration of the Court, and to communicate to you the decision which they adopt thereon.

We have, &c.,
(signed) *C. Marjoribanks.*
G. Robinson.

Letter from *Joseph Dart, Esq.* to *Thomas Peregrine Courtenay, Esq.*;
dated East India House, 27th August 1819.

Sir,

IN reference to the letter from the Right hon. the President of the Board of Commissioners for the Affairs of India, under date the 6th instant, I have received the commands of the Court of Directors of the East India Company to transmit to you the accompanying copy of a Resolution adopted by them on the 25th instant, for forwarding to Bengal in the ensuing season the further sum of 500,000*l.*, to be applied towards the redemption of the debt in India, agreeably to the Act of the 53 Geo. 3, c. 155, s. 57, and of the sinking fund plan, lately approved by the Court and the Board.

I am directed to request that you will be pleased to submit the said Resolution for the approbation of the Right hon. Board, in conformity with the provisions of the Act before referred to.

(signed) *J. Dart, Secretary.*

(Enclosure.)

RESOLUTION of a Court of Directors of the East India Company;
dated the 25th of August 1819.

A Report from the Joint Committee of Correspondence and Treasury, dated the 20th instant, being read,

Resolved, That with the approbation of the Right hon. Board of Commissioners for the Affairs of India, the further sum of 500,000*l.* be sent out to Bengal in the ensuing season (which, with the sums already transmitted, will make a total of 1,500,536*l.* 18*s.* 8*d.*) for the purpose of being applied towards the redemption of the debt in India, agreeably to the provisions of the Act of 53 Geo. 3, c. 155, s. 57, and of the sinking fund plan, which has received the approbation of the Court, and the Right honourable the Board of Commissioners for the Affairs of India.

LETTER from *John Wright, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 30th August 1819.

Sir,

I HAVE received, and laid before the Commissioners for the Affairs of India, your letter of the 27th instant, transmitting copy of a Resolution of the Court of Directors for forwarding to India a further sum of 500,000*l.* from the surplus commercial profits in England, to be applied to the redemption of the Indian debt, and I am directed by the Board to signify their approbation of the said Resolution.

(signed) *J. Wright,*
Assistant Secretary.

LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.*;
dated East India House, 17th September 1819.

Sir,

I HAVE received the commands of the Court of Directors of the East India Company to acquaint you, for the information of the Right honourable the Board of Commissioners for the Affairs of India, that bills of exchange to the amount of twenty-two thousand eight hundred and two pounds eight shillings and five pence (22,802*l.* 8*s.* 5*d.*), drawn from India, in liquidation of Indian debt, have been presented to the Court for acceptance.

The Court therefore request the sanction of the Board to the appropriation of a part of the surplus home profits of the Company in payment of the said bills, agreeably to the Act of 53 Geo. 3, c. 155, s. 57.

I have, &c.
(signed) *J. Dart, Secretary.*

LETTER from *Thomas P. Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 27 September 1819.

Sir,

IN reference to your letter of the 17th instant, I am directed by the Commissioners for the Affairs of India to request that you will move the Court of Directors to furnish the Board with a particular statement of the Indian debts, on account of which the bills mentioned in your letter have been drawn.

I am, &c.
(signed) *T. P. Courtenay.*

LETTER from *Peter Auber*, Esq. to *T. P. Courtenay*, Esq.;
dated East India House, 7th October 1819.

Sir,

IN compliance with the request contained in your letter of the 27th ultimo, I am directed by the Court of Directors of the East India Company to transmit you the accompanying Statement of the Indian Debts, on account of which the bills mentioned in Mr. Dart's letter to you of the 17th ultimo were drawn.

I have, &c.

(signed) *P. Auber*, Assistant Secretary.

(Enclosure.)

A STATEMENT of the Indian Debts, on account of which the Bills mentioned in the Secretary's Letter to the Board of Commissioners for the Affairs of India, of 17th September, have been drawn.

BOMBAY:		£.	s.	d.
On account of Treasury Bills of 1817-18 and 1818-19	- - - -	18,117	1	10
BENGAL:				
On account of Septennial Loan Obligations, re-invested under the Court's Advertisement, of 12 July 1811	- - - -	4,685	6	7
		£.	22,802	8 5
<i>Mem.</i> —Bills to the amount above stated are already presented, but by advices received, the total amount of Bombay bills drawn as above, is		21,688	6	5
Ditto, Bengal	- - - -	4,950	6	7
		£.	26,638	13 -

(Errors excepted.)

East India House, 5 October 1819.

(signed) *T. G. Lloyd*,
Pro Accountant-general.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 16th October 1819.

Sir,

IN reference to your letter of the 17th ultimo, and Mr. Auber's of the 7th instant, I am directed by the Commissioners for the Affairs of India to acquaint you, for the Court's information, that it will in their opinion be very proper for the Court to accept the bills, of which the statement is inclosed in Mr. Auber's letter.

But as it appears to the Board that a doubt may possibly be entertained whether the Bombay treasury bills come strictly under the fourth head of appropriation mentioned in the 57th section of the Act 53 Geo. 3, c. 155, under which enactment the Board's approbation is required, they desire that they may not be considered as deciding upon the question of appropriation, upon which it will perhaps be desirable for the Court to take the opinion of their law officers.

I am, &c.

(signed) *T. P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.;
dated East India House, 27th October 1819.

Sir,

I HAVE the commands of the Court of Directors of the East India Company to acknowledge the receipt of your letter of the 16th instant, wherein you signify the opinion of the Board of Commissioners, relative to the Court's accepting the bills of exchange drawn from Bengal and Bombay, for principal and interest on debt.

I am also directed to acquaint you that the Court have received advices of further drafts from Bombay to the extent of 64,845*l.* 3*s.* 4*d.*, on account of principal and interest; and treasury bills of 1817-18 and 1818-19, and the Court therefore request the sanction of the Board of Commissioners to the appropriation of a portion of the surplus home profits, in payment thereof.

It appearing, by accounts received from Bombay, that the total amount of treasury bills issued, containing an option of a remittance to England by bills on the Court at 2*s.* 6*d.* per rupee, was 11,13,500 rupees; further drafts may be expected on the same account to the extent of about 52,000*l.*

Appendix, No. 19.

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Company.

The Court will submit for the opinion of their law officers the doubts expressed by the Board, whether the Bombay treasury bills come strictly under the fourth head of appropriation, mentioned in the 57th section of the Act of the 53 Geo. 3, c. 155.

I have, &c.
(signed) J. Dart, Secretary.

(Enclosure.)

STATEMENT of Bills of Exchange drawn from *Bengal* and *Bombay*, on account of Principal and Interest of Indian Debt, in addition to the Amount referred to in the Secretary's Letter to the Board of Commissioners for the Affairs of India, of the 17th September last.

BOMBAY:				£.	s.	d.
On account of Treasury Bills of 1817-18 and 1818-19	-	-	-	63,510	3	4
BENGAL:						
On account of Septennial Loan Obligations, re-invested under the Court's Advertisement, of 12th July 1811	-	-	-	* 1,335	-	-

* This bill has been presented for acceptance, but the advice thereof has not been received.

Accountant's Office, 22 Oct. 1819.

Thomas G. Lloyd,
Pro Accountant-general.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 30th October 1819.

Sir,

IN reference to your letter of the 27th instant, I am directed by the Commissioners for the Affairs of India to acquaint you, for the information of the Court of Directors, that the Board see no objection to the payment of the bills alluded to in your letter, amounting to 64,845 *l.* 3 *s.* 4 *d.*, but they desire to be understood as accompanying this sanction with a similar reservation to that contained in my letter to you, dated the 16th instant, relative to the Bombay treasury bills.

I am, &c.
(signed) T. P. Courtenay.

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.;
dated East India House, 25th November 1819.

Sir,

I AM commanded by the Court of Directors of the East India Company to acquaint you, for the information of the Board of Commissioners for the Affairs of India, that in addition to the sums advised in my letters to you of the 17th September and 27th ultimo, to have been drawn from Bombay upon the Court, on account of treasury bills of 1817-18 and 1818-19, and from Bengal on account of principal of the septennial loan, of March and July 1811, and which you state the Board see no objection to the payment of, the following bills of exchange (at present unadvised) have been presented for acceptance; and as the parties to whom the said bills belong are desirous that they should be accepted forthwith, I am directed to request you will obtain the consent of the Board to the appropriation of a further portion of the surplus home profits in liquidation thereof.

I have, &c.
(signed) J. Dart, Secretary.

No.	DATE.					AMOUNT.			—		
BOMBAY on account of Treasury Bills of 1817-18 and 1818-19 :						£.	s.	d.	£.	s.	d.
103	25	May	1819	-	-	-	-	109	2	6	
109	1	June	-	-	-	-	-	368	5	11	
121	3	-	-	-	-	-	-	736	11	10	
123	5	-	-	-	-	-	-	68	4	-	
127	12	-	-	-	-	-	-	2,346	3	9	
130	12	-	-	-	-	-	-	272	16	3	
									3,901	4	3
BENGAL on account of Principal of the Septennial Loan of 12 July 1811 :											
3	31	Dec.	1818	-	-	-	-	-	-	-	1,335 - -

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 21st December 1819.

Sir

IN reference to your letter of the 25th ultimo, I am directed by the Commissioners for the Affairs of India to acquaint you, for the information of the Court of Directors, that the Board see no objection to the payment of the bills alluded to in your letter, amounting to 5,236 *l.* 4 *s.* 3 *d.*, but they desire to be understood as accompanying this sanction with a similar reservation to that contained in my letter to you, dated the 16th October last, relative to the Bombay treasury bills.

I am, at the same time, to express the desire of the Board to be furnished with a copy of any Case which may have been submitted to the law officers in conformity with the suggestion contained in my letter of the 16th October, together with the opinion, if any, given thereon.

I am, &c.
(signed) *T. P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.;
dated East India House, 21st April 1820.

Sir,

ADVICES having been received by the ship *Albinia*, from Bombay, that bills of exchange for the sum of eight thousand three hundred and twenty pounds fifteen shillings and sixpence (8,320 *l.* 15 *s.* 6 *d.*) have been drawn on the Court of Directors of the East India Company, in discharge of treasury bills of 1817-18 and 1818-19, I have received the Court's commands to apprise you thereof, for the information of the Board of Commissioners for the Affairs of India, and to request their sanction for the appropriation of a portion of the surplus home profits of the Company in discharge of the said bills.

I have, &c.
(signed) *J. Dart*, Secy.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 6th May 1820.

Sir,

IN reference to your letter of the 21st ultimo, I am directed by the Commissioners for the Affairs of India to acquaint you, for the information of the Court of Directors, that the Board see no objection to the payment of the bills alluded to in your letter, amounting to 8,320 *l.* 15 *s.* 6 *d.*; but they desire to be understood as accompanying this sanction with a similar reservation to that contained in my letter to you, dated the 16th October last, relative to the Bombay treasury bills.

I am, at the same time, to repeat the desire of the Board to be furnished with the copy of any Case which may have been submitted to the law officers, in conformity with the suggestion contained in my letter, of the 16th October, together with the opinion, if any, given thereon.

I am, &c.
(signed) *Thomas P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.;
dated East India House, 18th August 1820.

Sir,

IN reference to my former communications to you upon the subject of bills of exchange, advised and drawn from Bombay, on account of treasury bills of 1817-18 and 1818-19, I have received the commands of the Courts of Directors of the East India Company to acquaint you that another bill for the sum of 409 *l.* 4 *s.* 4 *d.* has been drawn and advised on the same account.

The Court therefore request the sanction of the Board of Commissioners for the Affairs of India for the appropriation of a portion of the surplus home profits of the Company in payment of the said bill.

I have, &c.
(signed) *J. Dart*, Secy.

NOTE from *Joseph Dart*, Esq. to *John Wright*, Esq.; dated East India House,
17th October 1820.

MR. DART presents his compliments to Mr. Wright, and transmits herewith the Case prepared by the Company's Solicitor for Mr. Serjeant Bosanquet, with his opinion thereon, respecting the Bombay treasury bills, in conformity with the suggestion contained in Mr. Courtenay's letter of the 6th May last.

Appendix, No. 19.
Appropriation of
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Appendix, No. 19.

(Enclosure.)

Appropriation of
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53 Geo. 3, c. 155,
s. 57.

CASE for the East India Company.

And be it further enacted, that for and during the continuance of the possession and government of the said territorial acquisitions and revenues in the said United Company, the net proceeds of their sales of goods at home, with the duties and allowances arising by private trade, and all the commercial profits and other receipts of the said Company in Great Britain, shall be applied and disposed of in manner following; (that is to say,) First, in providing for the payment of bills of exchange already accepted and hereafter to be accepted by the said Company, as the same shall become due: Secondly, in providing for the current payment of other debts (the principal of the bond debt in England always excepted) as well as interest, and the commercial outgoings, charges and expenses of the said Company: Thirdly, in payment of a dividend after the rate of 10 *l.* per centum per annum on the present or any future amount of the capital stock of the said Company, for and during such time as a certain fund of the said Company hereafter mentioned, called "The Company's separate Fund," shall be sufficient to pay a dividend after the rate of 10 *s.* for every 100 *l.* per annum on the present or any future amount of the capital stock of the said Company; and when and so soon as the last-mentioned fund shall be exhausted, then in payment of a dividend at the rate of 10 *l.* 10 *s.* per centum per annum on the then existing or future capital stock of the said Company, provided that no greater demand shall be paid in the whole, in any one year, than at the said rate of 10 *l.* 10 *s.* per centum per annum upon the present or future capital stock of the said Company: Fourthly, in reduction of the principal of the debt in the East Indies or parts aforesaid, or of the bond debt at home, as the said Court of Directors, with the approbation of the said Board of Commissioners, shall from time to time direct, any Act or Acts of Parliament to the contrary notwithstanding.

The Bombay government, having occasion to raise money by loan, issued an advertisement on the 11th February 1818, of which the following is a copy; viz.

"Government Advertisement.

"Financial Department.

"Notice is hereby given, that the General Treasury is now open for the receipt of cash for treasury bills, for any sum, in even hundreds, of not less than 500 rupees, bearing interest for 12 months certain at the rate of three-quarters per cent. per month, and payable, both principal and interest, either in cash at the General Treasury at the option of the holder, or by bills to be drawn on the Honourable Court of Directors, payable twelve months after date, and at the exchange of 2 *s.* 6 *d.* the Bombay rupee, with liberty to the said Court of Directors to postpone the payment of the said bills of exchange for the further term of one, two or three years: interest to be paid for such protracted period half yearly, at the rate of five per cent. per annum.

"Published by order of the Right honourable the Governor in Council.

"Bombay Castle, }
"11 February 1818. }

(signed) F. Warden,
Chief Secretary to Government."

A sum amounting to Bombay rupees 11,13,500, equal to 139,187 *l.* 10 *s.*, was raised upon the terms of this advertisement, and the public were informed on the 13th June 1818 that no further sums would be received at the General Treasury for treasury bills.

The treasury bills issued in consequence of the loan under the above advertisement having become due, some of the holders elected to receive payment by bills of exchange, to be drawn upon the Court of Directors, and bills have accordingly been drawn to the amount of 85,198 *l.* 9 *s.* 9 *d.*, in liquidation of a portion of the above-mentioned sum of rupees 11,13,500.

Communications have taken place between the Court of Directors and the Board of Commissioners upon the subject of the payment of the bills of exchange above mentioned; a copy of the correspondence which has passed is left herewith.

Your opinion is requested, Whether the Court of Directors, with the approbation of the Board of Commissioners, may appropriate funds under the fourth head of appropriation in the 53d Geo. 3, c. 155, s. 57, for payment of the bills of exchange issued in discharge of the Bombay treasury bills above mentioned?

The payment of the bills in question does not appear to me to be a sort of transaction at which the terms of the fourth appropriation in the 57th section of the 53d Geo. 3, c. 155, are immediately pointed. That clause contemplates arrangements originating in England, and made by the Court of Directors, with the approbation of the Board of Commissioners, for the reduction of the principal debt existing in the East Indies at the time of such arrangements.

In the present case, though the money was borrowed in India, it was a part of the terms of the loan that it should be payable, at the option of the lender, by bills on the Directors in England; that part of the debt, therefore, which is payable by the bills in question, is not at this time a debt in the East Indies.

But

But supposing the payment of the bills in question not to be within the meaning of the fourth appropriation, yet, if the loan in respect of which the bills were drawn was made for political and not for commercial purposes, I think that such bills must be considered as "drawn on account of the political charges in India," within the terms of the 58th section, and consequently the liability to pay those bills out of the home profits will, by the terms of that clause, be postponed to the third appropriation in the preceding section; so that whether the payment be considered as made under the fourth appropriation in section 57, or under the proviso contained in section 58, the order in which the funds are to be applied will be the same.

Lincoln's Inn, }
11 May 1820. }

(signed) *J. B. Bosanquet.*

Appendix, No. 19.

Appropriation of
the Surplus Profits
of the East India
Company.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 18th October 1820.

Sir,

IN answer to your letter of the 18th of August, relative to a bill of exchange drawn from Bombay on account of treasury bills, I am directed by the Commissioners for the Affairs of India to inform you that as the opinion of the Company's counsel, upon the doubt raised in my letter of the 16th of October 1819, has only been this day communicated to the Board, and as this opinion involves some questions which may eventually be important, they are not prepared, at present, to determine that the sum applied to the payment of these bills (which it will nevertheless, in any case, be proper that the Company should pay) should be considered as a portion of the Company's surplus profits, falling under the 4th head of appropriation, in sect. 57 of the Act of 1813.

I am, &c.

(signed) *Thomas P. Courtenay.*

LETTER from *Joseph Dart*, Esq. to *T. P. Courtenay*, Esq.; dated East India House,
2d February 1821.

Sir,

IN reference to my former communications to you upon the subject of bills of exchange advised and drawn from Bombay on account of treasury bills of 1817-18 and 1818-19, I have received the commands of the Court of Directors of the East India Company to acquaint you, that another bill for the sum of 218*l.* 5*s.* has been drawn and advised on the same account.

The Court, therefore, request the sanction of the Board of Commissioners for the Affairs of India to the appropriation of a portion of the surplus home profits of the Company in payment of the said bill.

I have, &c.

J. Dart, Secretary.

LETTER from *Thomas P. Courtenay*, Esq. to *J. Dart*, Esq.; dated India Board,
9th February 1821.

Sir,

HAVING laid before the Commissioners for the Affairs of India your letter of the 2d instant, requesting, by order of the Court of Directors, the sanction of the Board to the appropriation of a portion of the surplus home profits of the Company to the payment of a bill of exchange drawn from Bombay on account of a treasury bill of 1817-18 and 1818-19, I am directed by the Board to acquaint you, for the information of the Court of Directors, that having maturely considered the subject since they directed me to write to you on the 18th October last, they do not think the payment of these bills comes properly under the fourth head of appropriation in the 57th section of the Act 53 Geo. 3, c. 155, and consequently that the Board cannot sanction the appropriation of any part of the surplus profits to the purpose required.

The opinion now expressed by the Board is equally applicable to the several bills of the same description mentioned in your letter of 17th September, 27th October, and 25th November 1819, and 19th April and 18th August 1820.

I am, &c.,

(signed) *Thos. P. Courtenay.*

LETTER from *Joseph Dart*, Esq. to *T. P. Courtenay*, Esq.; dated East India House,
11th June 1821.

Sir,

I HAVE received the commands of the Court of Directors of the East India Company to acquaint you, for the information of His Majesty's Commissioners for the Affairs of India, that bills of exchange to the amount of 4,290*l.* have been drawn from Bengal on the Court, on account of principal of promissory notes, dated the 31st December 1811.

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Company.

The Court therefore request the sanction of the Board to the appropriation of a portion of the surplus home profits of the Company to the payment of the bills in question, in conformity with the 57th section of the Act of the 53d Geo. 3, c. 155.

I have, &c.

J. Dart, Secretary.

LETTER from *T. P. Courtenay, Esq.* to *J. Dart, Esq.*; dated India Board,
14 June 1821.

Sir,

IN reference to your letter of the 11th instant, I am directed by the Commissioners for the Affairs of India to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of the bills of exchange drawn from Bengal, therein mentioned.

I am, &c.,

(signed) *Thos. P. Courtenay.*

LETTER from the Right honourable *Geo. Canning* to the Chairman and Deputy Chairman of the East India Company; dated India Board, 15th December 1819.

Gentlemen,

THE large amount of the surplus which appears to be disposable by the Company under the Act of 1813 having led me to consider the provisions made by that Act, for appropriating the surplus, I am induced to suggest to you the expediency of making a slight change in the order of appropriation to which the surplus is now subject.

By the 53d Geo. 3, c. 155, s. 55, the surplus of territorial revenue may be applied to the reduction of the Company's debt, whether in India or England, or to such other purposes as the Court and the Board may direct. The commercial surplus is to be appropriated (sect. 57) to the reduction of the debt in India or England; and there is not, in regard to this part of the surplus, the discretionary power which is given by the former clause.

The surplus of the whole concern, after the Indian debt shall have been reduced to 10,000,000*l.* and the bond debt to 3,000,000*l.* may be applied (sect. 59) to the more speedy redemption of the loan raised in 1812, and charged by the Act of 1813 (sect. 58) upon the territorial revenues of India.

From these several enactments it appears: First, that the Legislature in 1813 contemplated the reduction of the Indian debt, that is to say, the debt charged upon the territorial revenues of India, by the commercial as well as by the territorial surplus of the Company.

Secondly. That the redemption of that part of the territorial debt which was raised in England is, in the appropriation of the commercial surplus, and in the appropriation of the ultimate surplus in England and India jointly, postponed to the reduction of the Indian debt.

Thirdly. That in the territorial appropriation a latitude is given to the Court and Board, under which the original clause in the Act of 1812, for the more early redemption of the English part of the territorial debt, may be called into action whenever there shall be a surplus of revenue, although the bond and Indian debt should not have been previously reduced to 3,000,000*l.* and 10,000,000*l.* respectively.

In considering, under these circumstances, the most advisable mode of appropriating the present surplus, I apprehend that I may put out of the question the bonded debt, which now amounts only to 3,793,579*l.*, and which, so long as your bonds remain at or above par, there would be no peculiar advantage to the Company, and might be some public inconvenience, in further reducing.

Adverting, then, to the territorial debt, I am naturally led to consider the grounds upon which the reduction of the Indian branch of it has been thought the more desirable appropriation; it appears to me, that as both branches are equally charged upon the Indian revenues, which would, therefore, be proportionally relieved by the redemption of either, that preference must have been founded upon an apprehension that the Indian debt pressed heavily upon the finances and credit of the Indian governments. That this apprehension was groundless, or at least that it is not realized at the present moment, appears clearly, from the facility with which the expenditure of the late war was supplied, and from the present state of the public securities in the Indian markets; and to these indications I can add the authority of the Governor-general, from whom I have received strong representations against the reduction of the Indian debt, and against the remittance of more money to India. Without assigning to those opinions of Lord Hastings a conclusive authority, I may state them as appearing to me to furnish reasonable ground for suspending the course of remittances to India for one season, before the expiration of which we may be enabled to give a more accurate and satisfactory judgment.

In the meantime the surplus must, pursuant to the injunctions of the Act of Parliament, be applied.

The next object of application (according to the Act) is the loan raised in England; and the purport of the present communication accordingly is to suggest the expediency of applying to that object the necessary amount of the present surplus.

There

There are, indeed, at the present time some peculiar reasons for effecting the immediate redemption of this debt. The present price of the stock in which it is funded nearly corresponds with the average price at which the redemption has hitherto been performed, in the seven years which have passed since the creation of the stock; of this period, the larger proportion has been a period of war, and it may reasonably be expected that the price of stocks during the remainder of the period necessary for completing the redemption at the present rate, will be higher than the present average, while the Indian debt will continue to be redeemable at par.

I have not made this suggestion without communicating with the Chancellor of the Exchequer as to any convenience or inconvenience which might be occasioned to the public by the immediate redemption of the loan of 1812. If my suggestion should appear to you to be worth pursuing, I shall be happy to make an appointment with the Chancellor of the Exchequer for a meeting with you, at which I have no doubt an arrangement, satisfactory to the Public and to the Company, might be made.

I have the honour to be, &c.

(signed) *Geo. Canning.*

LETTER from the Chairman and Deputy Chairman of the East India Company to the Right honourable *Geo. Canning*; dated East India House, 17th Dec. 1819.

Sir,

WE have the honour to acknowledge the letter you addressed to us on the 15th instant, in which you have communicated a suggestion relative to the expediency of a slight change in the order of appropriation, to which the surplus commercial profits of the East India Company in England are now subject, for the purpose of giving a priority in the application of the surplus to the redemption of the loan from the Public, of 1812.

We coincide in the view you have taken of the operation of the Act of 1813, in respect to the order of appropriation. We are well aware to what purposes the application of the surplus commercial profits of the Company is restricted; but the Act of 1813, although it prescribes the order and purposes of the appropriation, does not bind the Company, within any specific period, to apply the whole of the surplus profits which may have been realized; the time of making such appropriation is left to the discretion of the Court of Directors, subject to the approbation of the Board.

The Court of Directors claim a power to reserve a portion of the surplus profits to cover contingent losses, as well as for such payments as they may be called upon to make for territorial purposes.

We do not think it necessary, on this occasion, to enter much at length into the question of the expediency or inexpediency of reducing the Indian debt, particularly as regards the representations made to you by Lord Hastings on this subject; of these representations we have no knowledge, except through your communication; we nevertheless cannot view without anxiety the present magnitude of that debt, and think any increase to it is greatly to be deprecated; under some circumstances, it might even have the effect of subjecting the home finances to considerable embarrassment.

We particularly allude to that condition of the Indian loans, which gives an option to the creditors to receive their annual interest by bills upon the Court, at 2s. 6d. the sicca rupee.

Should any occurrences in India, either political or commercial, induce a preference to the Company's remittance, the whole of the interest of the debt might be taken out by bills on the Court, and thus create a demand upon the Company, which their ordinary means can never be expected to discharge.

Taking into view, however, all the bearings of the question now before us, we do not feel averse to entertain your suggestion, and shall not object to recommend to the Court of Directors to dispose of the unappropriated home surplus profit in the redemption of the loan from the Public of 1812, provided the Company shall be allowed to apply the annual sum of 243,820*l.* which is now set apart for the payment of the interest and sinking fund of that loan, to the formation of a fund to be invested in Government securities, the accruing interest to be also regularly invested; that the fund so constituted shall be deemed a guarantee fund for the better security of the Company's capital stock, and likewise for the payment of the dividends to the proprietors, in the event of the Company's ordinary resources proving insufficient for that purpose.

The means by which it is proposed to carry your suggestion into effect will be for future consideration, but we deem it necessary to apprise you, that to enable the Company to advance the required sum, a payment by His Majesty's Government of at least 500,000*l.* on account of the St. Helena expenses will be indispensable.

We have, &c.

(signed) *C. Marjoribanks.*
G. A. Robinson.

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LETTER from the Right hon. *George Canning* to the Chairman and Deputy Chairman of the East India Company; dated India Board, 14th January 1820.

Gentlemen,

I HAVE received and considered your letter of the 17th of December, in answer to mine of the 15th of the same month, expressing your general approbation of my suggestion for applying so much of the surplus profits as may be necessary to the liquidation of the loan of 1812; but coupling with that approbation the condition that the Company shall be allowed to apply the amount of the annual interest and sinking fund, now payable on that loan, to the formation of a guarantee fund.

My suggestion was founded on the assumption that the redemption of the loan of 1812 would be a more advantageous application of the principle of reduction of territorial debt in the present season, than a further remittance to India, in despite of the objections communicated to me by Lord Hastings. It cannot be right, in any view of the provisions of the Act of Parliament, that the amount of surplus should accumulate indefinitely in the coffers at home.

I beg you not to understand me as objecting altogether to the principle on which a guarantee fund might be instituted, or as being at all reluctant to take up the consideration of that matter; but to open the Charter Act for a purpose obviously beneficial to the Company in its separate commercial capacity, will be an undertaking of much delicacy. It cannot fail to bring forward other points upon which not only those who are least friendly to your interests, but others, may consider the Company as already benefitted at the expense of the public at large.

You must be aware that questions of this nature have recently excited the solicitude of the mercantile, the manufacturing and the shipping classes of the community, and are at this moment seriously and anxiously pressed upon the attention of the Government.

I am, therefore, of opinion that it would be most advisable not to bring forward the question of the guarantee fund, until you shall have well considered the different points which may be connected with any proposal for a revision of the Act of 1813, for the Company's particular benefit.

But I am ready to enter with you upon a revision of that Act, with a view, amongst other things, of providing an ultimate security for the dividends and capital of the Company; although I should wish the much simpler question of a slight change in the order of payment of your debts, by giving priority to the discharge of the loan of 1812, to be considered on the ground of its own special merits and advantages.

I have, &c.
(signed) *George Canning.*

LETTER from the Chairman and Deputy Chairman of the East India Company to the Right hon. *George Canning*; dated East India House, 9th February 1820.

Sir,

WE have the honour to acknowledge your letter of the 14th ultimo, conveying your observations upon the terms on which we were disposed to recommend to the Court of Directors an alteration in the appropriation of the surplus home profits of the Company, as signified to you in our letter of the 17th December last.

While we regret that our acquiescence in your suggestion of an alteration in the order of payment of territorial debt should have the appearance of being accompanied with any condition which you may think not naturally connected with that suggestion, we must express our unwillingness to propose to the Court of Directors any alteration of the Act of 1813 that does not include the correction of those provisions of that Act by which the Company's dividend is left without security, which, according to the spirit of the arrangement, we conceive ought to have been afforded to it.

We concur in your opinion, that the commercial surplus ought not to accumulate indefinitely in the treasury in England; but we beg leave to remind you that the question of appropriating that surplus to the redemption of the territorial debt, or of the bond debt at home, is left by the Act, in the first instance, to the discretion of the Court, subject to the approbation of the Board.

By the application of that surplus to the reduction of the bond debt, the Company's commercial funds, from which the dividend is derived, would be proportionally increased; it must also be recollected, that by redeeming the territorial debt of 1812, we shall divest ourselves of the whole of the present accumulated surplus, and thus be left without any reserve of funds, to meet such contingent losses and expenses, as might, if occurring, interrupt the regular payment of the dividend.

It therefore does appear to us not unreasonable, that when it is proposed by the Board that preference should be given to the redemption of so great an amount of territorial debt, in a mode which cannot fail to be productive of convenience to the public finances, some corresponding advantage should be secured to the East India Company.

Our object in proposing the application of 243,800*l.* per annum towards the formation of a guarantee fund is security for the payment of the Company's dividend; if that security can be obtained, whether in the way we have pointed out, or as effectually in any other manner, we shall be willing to make it the subject of further conference.

We have, &c.
(signed) *C. Marjoribanks.*
G. A. Robinson.

LETTER from the Right hon. *George Canning* to the Chairman and Deputy Chairman of the East India Company; dated India Board, 19th April 1820.

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Gentlemen,

UPON recurring, after the unavoidable suspension of our correspondence, to the letter addressed to me by the late Chairman and Deputy Chairman on the 9th February, I am glad to meet the disposition therein manifested to enter into further consideration of the suggestion offered in my letter of the 15th December.

The principles upon which it is proposed to renew that consideration appear to me to be not unreasonable, nor inconsistent with the existing arrangements between the Public and the Company.

I am by no means indisposed to admit that the Company has a fair claim to appropriate their commercial profits, in a proportion to be settled with the concurrence of this Board, to the redemption of commercial as well as of territorial debt; and it is obvious that the appropriation of that surplus to commercial debt operates, so far as it goes, to strengthen the security of the Company's dividends.

Applying these principles to the plan which I took the liberty of recommending in my letter of 15th December last, I think it might be arranged, that upon payment into His Majesty's Exchequer of a sum equal, at the market price, to the amount of the stock remaining unredeemed on the loan of 1812, I should convey to you an official assurance that the sanction of the Board will be given to an appropriation of future commercial surplus, as it may accrue, to the reduction of the Company's bond debt exclusively, until an amount of that debt shall have been redeemed equal to the amount of territorial debt extinguished by the discharge of the loan of 1812.

The operation would, as you justly observe, have the same effect upon the commercial interests as the appropriation of the like sum towards the creation of a guarantee fund.

But if the Court should prefer to the proposed reduction of bond debt, the application of the like sum to the guarantee fund, in the mode prescribed by the 59th section of the Act of 1813, I should with equal readiness concur in an arrangement for that purpose.

The former mode would have some practical convenience, and, as I think, some advantages beyond the latter, which I shall be happy to discuss with you when we meet.

But I should be glad, in the meantime, to learn from you that the general plan is not unacceptable to the Court of Directors.

I have, &c.

(signed)

George Canning.

LETTER from the Chairman and Deputy Chairman of the East India Company to the Right hon. *George Canning*; dated East India House, 19th May 1820.

Sir,

WE have had under consideration the communication with which you have honoured us, under date of the 19th ult., renewing the negotiation respecting the appropriation of the Company's commercial profits to the redemption of the loan from the Public of 1812.

We are very glad that the principles upon which the late Chairman and Deputy Chairman, in their letter to you of 9th February last, were disposed to entertain your suggestion of the 15th December, do not appear to you to be unreasonable, or inconsistent with the existing arrangements between the Public and the East India Company.

To meet the views conveyed to you in that letter, you have suggested two propositions:

1st. That upon payment into His Majesty's Exchequer of a sum equal, at the market price, to the amount of the stock remaining unredeemed on the loan of 1812, you should convey to us an official assurance that the sanction of the Board will be given to an appropriation of future commercial profit, as it may accrue, to the reduction of the Company's bond debt exclusively, until an amount of that debt shall have been redeemed, equal to the amount of territorial debt extinguished by the discharge of the loan of 1812.

Or, 2dly. The application of the like sum to the creation of a guarantee fund, in the mode prescribed by the 59th section of the Act of 1813.

To the first of these propositions there is this objection, that an inference might be drawn from our acquiescence in it, that we acknowledge the Company's bonded debt of Great Britain to be in its constitution wholly of a commercial character.

Waiving on the present occasion any discussion on this point, we only beg leave to be understood, that as the Company's home-bonded debt has been adverted to in the discussion of the question now before us, we claim the benefit of any reservation which may have formerly been made, as to the *degree* in which that debt may be regarded as appertaining respectively to the territorial or to the commercial branch of the Company's affairs.

With respect to your second proposition, namely, the establishment of a guarantee fund upon the principle of the Act of 1813, we are averse to recommend its adoption by the Court of Directors, by reason that the advances by the Company towards the creation of a guarantee fund, are in the 59th section of that Act directed to be paid into the Exchequer, to be applied as Parliament shall direct, without interest to be paid to the Company in respect thereof.

Having thus stated the objections we entertain to the conditions propounded to us in your letter of the 19th ult., we nevertheless are really disposed to meet your suggestion,

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and we have the honour to subjoin certain proposals, which, if assented to by His Majesty's Ministers, we shall feel no hesitation in recommending that suggestion for the adoption of the Court of Directors.

Our proposals are as follow :

1st. That a sum equal to the part remaining unredeemed of the loan from the Public to the East India Company of 1812, shall be paid by the Company into the Exchequer on the 5th of July next; the stock to be valued at the average price paid by the Commissioners for the redemption of the national debt, in the quarter ending on the said 5th July, and the payment to be made in exchequer bills at par; the Company to provide for the July dividend and sinking fund as usual, and all charge upon the Company in respect to the said loan to cease from that time

2d. Surplus commercial profits to be hereafter laid out in exchequer bills, bearing the usual interest, until the amount so accumulated shall equal the value of the loan so paid off, together with the amount of payments heretofore made, from the date of the renewal of the Company's Charter, from commercial funds, in discharge of territorial debt, as follows :

	£.
Principal of Indian Debt - - - - -	923,815
Bullion remitted to India, towards redemption of debt - -	1,007,537
Final redemption of the loan from the Public, say - -	1,900,000
£.	3,831,352

3d. The sum so accumulated, with all interest accruing thereon, to constitute a fund applicable to no other purpose than,

1st. To the payment of dividends, in case of deficiency of other funds.

2d. To the payment of bills of exchange drawn in discharge of optional loans specifically authorized by the Court of Directors, for which funds shall not have been provided.

3d. To the payment of the bond debt, with the approbation of the Board of Commissioners.

4th. Ulterior appropriations of surplus to follow the provisions of the Charter Act.

We beg leave to add, however, that as it is absolutely necessary that we should retain a sufficient cash balance to answer all demands, foreseen or unexpected, which may arise before new surplus to any considerable amount can have accrued, after the 5th July, and as the stipulated payment on that day would absorb nearly the whole of the surplus now on hand, we must be assured of receiving from the Treasury a repayment on account of St. Helena, of at least half a million sterling; and should such repayment not have been made before the 5th July, it must be understood that we are to retain that sum on that account out of the payment then to be made in redemption of the loan; and further, that the balance which may remain due on account of St. Helena up to the 1st May 1820, shall be paid in full by his Majesty's Government, as soon as the same can be ascertained.

We have, &c.

(signed) *G. A. Robinson.*
T. Reid.

LETTER from the Right hon. *George Canning* to the Chairman and Deputy Chairman; dated India Board, 24th May 1820.

Gentlemen,

I HAVE attentively considered the propositions contained in your letter of the 19th instant, and being desirous of meeting the wishes of the Court of Directors, as far as may be consistent with my duty to the Public, I am prepared to acquiesce in those propositions, subject only to certain observations and explanations.

Upon your first proposition, I have only to express my entire approbation of the mode in which you propose to effect the redemption of the loan of 1812.

As to the second, although the amount of the fund which you propose to accumulate far exceeds that which I had suggested in my letter of the 19th ult., I shall not withhold my assent from your proposition, either as to the amount, or mode of accumulation.

It is, however, fit that I should apprise you, that my acquiescence is not grounded upon the conformity of that amount with that of the territorial debt redeemed since the renewal of the Charter, but rather upon its corresponding almost exactly with the amount of the Company's bond debt, for the redemption of which the present arrangement was proposed as an alternative.

In acquiescing in the mode of accumulation which you propose, I am not to be understood as concurring in the objection which you state to the formation of a guarantee fund on the terms of the Act of 1813, a measure which, at its proper time, may be very advantageous both for the Company and the Public.

Thirdly, I agree with you as to the purposes to which the fund to be accumulated under the arrangement now in contemplation is to be applicable. As you say nothing with
respect

respect to the appropriation of the interest of the fund when formed, or the ultimate destination of the principal, it is necessary for me to add, with the view of preventing future misapprehension, that I admit that the interest will, during the Company's present term, be part of the Company's *commercial* income, and that the principal, or so much of it as may remain at the expiration of the term, will be the property of the Company, still applicable to the reduction of bond debt. I concur with you in waiving all discussion with respect to the character of that debt, and I admit that nothing that has passed in our correspondence is to affect the reservation in that respect repeatedly made by the Company. Indeed, after the formation of a fund applicable to the reduction of that debt, the character of the bond debt will become a matter of inferior importance.

I have the satisfaction of conveying to you the assurance of the Chancellor of the Exchequer that measures will be taken for liquidating, on or before the 5th July next, at least half a million of the St. Helena debt.

I have only to add, that while I admit your reservation as to the bond debt, I am in like manner to be understood as reserving a right to make observations hereafter as to the character of any part of the Indian debt, or as to the process by which the surplus of the Company's commercial profits is calculated.

But these reservations are merely made in order to avoid the possibility of future misconception, and I trust, that the ready acquiescence which I have expressed in your propositions, will induce you to bring them immediately before the Court of Directors, in order that no time may be lost in effectuating an arrangement, which will, I am satisfied, be found at least as conducive to the interests and security of the Company, as it may be to the convenience of the Public.

I have, &c.
(signed) *George Canning.*

LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.*;
dated East India House, 7th June 1820.

Sir,

I AM commanded by the Court of Directors of the East India Company, to represent to you, for the information of His Majesty's Commissioners for the Affairs of India, that a discussion has been carried on between Mr. Canning and the Chairman and Deputy Chairman, with a view to the immediate appropriation of the surplus commercial profits of the Company to the redemption of the balance of the loan from the Public to the Company in 1812, instead of the said surplus being applied in the manner directed by the Act of the 53d Geo. 3, cap. 155, s. 59.

The subject having been brought to the notice of the Court of Directors, I am desired to state that they concur in the proposals contained in the letter from the Chairman and Deputy Chairman to Mr. Canning, dated the 19th ultimo, as recorded in the Secret Minutes of the Court of the 30th ultimo, which have been already transmitted to the Board.

The Court have received from the Chancellor of the Exchequer the draft of a proposed Bill, with reference to the part of the transactions more immediately connected with the Public, and the same having been altered by the Company's law officers, so as to embrace the several points connected with the several propositions which have been mutually agreed upon, I am commanded to transmit the said Bill, as amended, for the information of the Board.

I am at the same time directed to observe, that the determination of the Court is to be considered subject to the approbation of the Court of Proprietors, for whose adoption the Court of Directors are prepared to recommend the measures in question.

I have, &c.
(signed) *J. Dart, Secretary.*

LETTER from *Thomas Peregrine Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 12th June 1820.

Sir,

I HAVE laid before the Commissioners for the Affairs of India your letter of the 7th inst., and the draft which accompanied it of a Bill to authorize the East India Company now to redeem the debt created on their account by an Act, passed in the 52d year of the reign of his late Majesty King George the 3d, intituled "An Act for advancing 2,500,000 *l.* to the East India Company, to enable them to discharge part of the Indian debt."

I am directed by the Board to request that you will assure the Court of Directors of the satisfaction which the Board have derived from the readiness of the Court to concur in the views so long in discussion between Mr. Canning and the Chairman and Deputy Chairman; but I am at the same time to communicate to you the Board's opinion, that under all the circumstances of the present time, it is not expedient to introduce the Bill into Parliament in the present Session.

The Bill, as proposed by the Court, contains several provisions, in which it would be impossible for the Board to concur, at least without considerable explanation and modification, and which, even if the Board were persuaded of the propriety of them, must necessarily lead to much controversial discussion in the House of Commons.

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The proposed Bill appears (in some respects perhaps unnecessarily) to involve alterations in the Act of 1813, to such an extent, that it would hardly be expedient to propose them to Parliament, without a more general and detailed revision of that Act than it would be practicable to complete on the present occasion.

Further, the Board do not wish to disguise from the Court their apprehension, that the tone and tenor of the letter, relative to the trade with India and China, which the Chairman and Deputy Chairman addressed to Mr. Canning on the 7th instant, and which it will probably be necessary to lay before the Committees of both Houses of Parliament on Foreign Trade, are likely to indispose Parliament to the entertaining of a measure, which, although the suggestion wherein it originated would incidentally tend in some small degree to the convenience of the public service, does, in its main operation, give to the East India Company advantages in relation to their commercial funds, and to their dividend, very far exceeding those which the Legislature, upon full deliberation, consented to secure to them in 1813.

Under all these circumstances, I am to request that the matter may be considered as suspended for the present.

I am, &c.
(signed) *Thomas P. Courtenay.*

LETTER from the Right hon. *George Canning* to the Chairman and Deputy Chairman of the East India Company; dated India Board, 13th June 1820.

Gentlemen,

THE letter which Mr. Courtenay addressed, by direction of the Board, to Mr. Dart, in answer to Mr. Dart's letter of the 7th instant, will have put the Court in possession of the Board's opinion as to the inexpediency of proceeding further at present with the Bill founded on our late discussions respecting the disposal of the surplus profits of the East India Company.

It remains for me to explain to you a little more fully than in an official letter was either proper or necessary, the grounds of this opinion. In the first place, you must allow me to say, quite frankly, that whatever might be the incidental convenience to be derived to the Government from the accelerated discharge of the loan of 1812, the permanent advantages to be given to the Company by the proposed arrangement were far more than proportionate to that convenience, and were such indeed as would require that their interest should be looked at with a very favourable eye, in order to secure a Parliamentary approbation of that arrangement.

During the interval which elapsed between the origin and completion of the negotiation, considerations have arisen, the possibility of which and their probable operation, if they should arise, I anticipated in my letter of the 14th of January; considerations which, though not directly making part of the transaction, cannot but bear upon it in a very unfavourable manner.

The call of the Public for some relaxation of your commercial monopoly in favour of the general trading interest of the country was of this nature.

Had the reply of the Court to my letter upon this subject conveyed any intimation of a disposition to consider in what way and to what extent they could meet the wishes of the manufacturing and commercial classes, the manifestation of such a disposition would have afforded a great facility towards carrying into effect an arrangement beneficial to the concerns of the Company.

Neither the Public nor Parliament have indeed any right to complain that the Company defends with eagerness privileges which were deliberately assigned to them by the Legislature, and which they conceive it to be necessary for their existence to preserve unimpaired. But I must at the same time apprise you, that it is the opinion of every person conversant with the House of Commons, whom I have had an opportunity of consulting, that to present with one hand a refusal on the part of the Company, so total and unqualified, of every concession in favour of the Public, and with the other a proposal for new securities and advantages to the separate interests of the Company, would infallibly so far indispose Parliament to the entertainment of the measure in contemplation as to make it highly inadvisable to prosecute it in the present state, and at the present period, of the Session.

In this state of things, I think it best on all accounts to postpone all further consideration of the plan which has been so much discussed between us; but I shall be perfectly ready to continue those discussions with a view to prepare a more general revision of the Charter Act against the beginning of the next Session.

I have, &c.
(signed) *George Canning.*

LETTER from *Thomas Peregrine Courtenay, Esq.* to *Joseph Dart, Esq.*; dated India Board, 10th May 1821.

Sir,

THE Commissioners for the Affairs of India, adverting to the 57th section of the Act of 53 Geo 3, c. 155, and to the correspondence which passed between the late President and Board and the Chairman and Court of Directors, relative to the amount and application of the

the surplus commercial profits of the Company, have directed me to desire that you will move the Court of Directors to furnish the Board, at their earliest convenience, with a continuation, up to the latest period to which the same can be made up, of the account of the surplus commercial profits of the Company, &c. which was transmitted to the Board on the 21st December 1819.

And I am also directed to request that the Court will at the same time communicate to the Board their wishes or intentions with respect to the appropriation of the balance of unappropriated surplus which may appear on such account.

I am, &c.
(signed) Thos. P. Courtenay.

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LETTER from *Joseph Dart, Esq.* to *Thomas Peregrine Courtenay, Esq.*;
dated East India House, 7th June 1821.

Sir,

IN reply to your letter addressed to me, under date the 10th ultimo, I am commanded by the Court of Directors of the East India Company to transmit to you, for the information of the Board of Commissioners for the Affairs of India, "An Account of the Surplus Commercial Profits of the East India Company in England, from the 1st May 1814 to 1st May 1821, together with the amount appropriated, in conformity with the 57th section of the 53 Geo. 3, c. 155; showing also the Amount remaining to be appropriated on the 1st of May 1821."

In reference to the latter part of your letter, which states that you are directed to request that the Court will communicate to the Board their wishes or intentions with respect to the appropriation of the balance of unappropriated surplus which may appear on the account, the Court desire me to say, that it is not their intention at the present moment, to recommend the application of any part of their commercial surplus from their home treasury to the extinction of debt, as directed by the appropriation clause of the Act of 1813. Under existing circumstances, indeed, such a measure would be highly inexpedient; the immediate and prospective demands upon the Court, to an undefined amount, for bills of exchange drawn from India for interest of Indian debt, requiring the entire of the resources of the Company in England to be retained for their liquidation.

I have, &c.
(signed) J. Dart, Secretary.

Extract LETTER from *Thomas Peregrine Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 28th July 1821.

THE Commissioners for the Affairs of India have had under consideration your letter of the 7th ultimo, enclosing an account of the surplus commercial profits of the Company in England, from the 1st of May 1814 to 1st May 1821; at which latter period it would appear there remained in the hands of the Company a balance of 2,713,619 *l.* to be appropriated according to the 57th section of the Act of 1813.

Of this balance, the Court were of opinion that it would be inexpedient to apply any part to the extinction of debt, because the immediate and prospective demands upon the Court for bills of exchange drawn from India for interest of Indian debt required the entire of the Company's resources in England to be retained for their liquidation.

The draft of instructions to the Governor-general in Council, submitted to the Board on the 16th ultimo, whereby the Government is directed to apply in India a sum of 1,500,000 *l.* on account of surplus commercial profits to the reduction of the Indian debt, renders it unnecessary for the Board to give any opinion upon the expediency of retaining the whole of the disposable balance, as suggested in your letter of the 7th ultimo. The Board have already signified their approbation of these instructions, which they consider as effecting without inconvenience to the finances of the Company in England, the appropriation of a part of their commercial surplus to the purposes prescribed by the law: and under present circumstances they are not disposed to recommend the application of the remainder of the balance.

LETTER from *Joseph Dart, Esq.* to *Thomas Peregrine Courtenay, Esq.*;
dated East India House, 15th March 1822.

Sir,

I HAVE received the commands of the Court of Directors of the East India Company to acquaint you, for the information of the Commissioners for the Affairs of India, that there have been presented for acceptance two bills of Exchange, drawn on the Court by the government of Bengal, on account of principal of Indian debt, amounting, the one to one thousand eight hundred and eleven pounds, ten shillings and ten pence (1,811 *l.* 10 *s.* 10 *d.*), and the other to one hundred and eighty-four pounds, three shillings and sixpence (184 *l.* 3 *s.* 6 *d.*); and, previously to the acceptance of the said bills, I am directed to request the Board's sanction to the appropriation of a portion of the home profits of the Company, in payment thereof.

I have, &c.
(signed) J. Dart, Secy.

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LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 18th March 1822.

Sir,

IN reply to your letter, dated the 15th instant, respecting two bills of exchange, drawn upon the Court of Directors by the government of Bengal, on account of principal of Indian debt, the one for 1,811 *l.* 10 *s.* 10 *d.*, and the other for 184 *l.* 3 *s.* 6 *d.*, I am directed by the Commissioners for the Affairs of India to desire that you will state to the Court, that the Board wish to be informed of the particular description of the Indian loans to which these bills relate, before they grant their sanction for the payment in the manner proposed.

I am, &c.,
(signed) *Thomas P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.;
dated East India House, 22d March 1822.

Sir,

IN reply to your letter of the 18th instant, stating that the Board wish to be informed of the particular description of the Indian loans to which the bills referred to in my letter of the 15th instant relate, I have the commands of the Court to acquaint you that the bill for 184 *l.* 3 *s.* 6 *d.* is drawn in payment for an old 8 per cent. optional promissory note.

The bill for 1,811 *l.* 10 *s.* 10 *d.* is not yet advised; but the Court are of opinion it is drawn in payment of a 6 per cent. promissory note or notes of the Register, of the 30th June 1811, entitled to a remittance of principal by bill on the Court, in conformity with their Resolutions of the 19th July 1811, or the 8th July 1812.

I have, &c.
(signed) *J. Dart*, Secy.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 25th March 1822.

Sir,

I HAVE to acknowledge the receipt of your letter of the 22d instant, in reply to mine of the 18th, respecting the description of the bills drawn upon the Court of Directors on account of the principal of Indian debt, for the payment of which, from the surplus commercial profits in England, the sanction of the Commissioners for the Affairs of India was requested in your letter of the 15th instant.

I am directed by the Board to state, for the information of the Court, that so far as respects the bill of 184 *l.* 3 *s.* 6 *d.* on account of the old 8 per cent. optional debt, no objection is entertained to the payment of it in the manner proposed; and with regard to the other bill for 1,811 *l.* 10 *s.* 10 *d.* the payment thereof is likewise sanctioned, provided it shall ultimately prove to have been drawn on account of the 6 per cent. loan of June 1811, as stated in your letter.

I am, &c.
(signed) *Thomas P. Courtenay*.

LETTER from *Peter Auber*, Esq. to *Thomas P. Courtenay*, Esq.;
dated East India House, 11th October 1822.

Sir,

ADVICES have been received from Bombay of certain bills of exchange having been drawn upon the Court, in discharge of the principal of promissory notes of the General Register debt of the Bengal presidency, dated 30th April 1822; according to the terms of the advertisement published in the Calcutta Gazette, of the 13th February 1822, and conformably with the 57th section of the Act 53 Geo. 3, c. 155, I am directed by the Court to request the approbation of the Board of Commissioners for the Affairs of India to the acceptance of the said bills by the Court, to an amount not exceeding 453,457 *l.* 10 *s.*, and for the application of a sum in discharge of the same, when they may be presented for payment.

I have, &c.
(signed) *P. Auber*, Assist Secy.

LETTER from the Chairman and Deputy Chairman of the East India Company to the Right honourable *Charles Watkin Williams Wynn*; dated East India House, 17th December 1822.

Sir,

WE have been requested by the Court of Directors to state to you, that several applications have been made to the Court by proprietors of 6 per cent. promissory notes of the Bengal government, resident in this country, expressing a wish to be permitted to transfer the

the bills of exchange drawn upon the Court in discharge of these notes, to the new 6 per cent. loan, opened at Calcutta the 18th February last.

It has not been the practice of the Court officially to communicate such applications to the Board previously to their decision thereon; and on the present occasion they have given favourable answers to applicants, to the extent of about 350,000*l.* as will be seen on reference to the Court's Minutes of 25th September and 2d October last. Adverting, however, to the effect which the re-transfer of a considerable amount of bills must necessarily produce upon the finances of India; adverting also to the controlling power of the Board, under the Act of the 53d, in reference to those finances, it may appear that the Court's acquiescence in the measure of re-transfer, without ascertaining by previous conference the views of the Board upon the subject, has been premature.

The Court are, therefore, anxious to be put in possession of the sentiments of the Board upon the general question thus brought under the Court's notice, namely, the expediency of allowing the re-transfer to the new loan of bills of exchange drawn upon the Court in consequence of the recent financial operations in India.

In a letter from the Court, of the 11th October last, application was made for the Board's approbation to the acceptance by the Court of bills drawn in discharge of the promissory notes of the General Register debt of the Bengal presidency, to an amount not exceeding 453,457*l.* 10*s.* A precise sum was not stated in that letter, as had been usual in similar cases, because the Court had in view the object of re-transfer; and being uncertain to what extent it might reach, they were consequently unable to state specifically the amount for which the Board's approbation was sought.

We have accordingly, Sir, the honour to request that, at as early an opportunity as may suit with your convenience, we may be favoured with a communication from the Board upon the subject of re-transfer, and also as to the acceptance of bills drawn in discharge of debt; particularly upon the latter point, as the parties are urgent for the acceptance of their bills.

We have, &c.

(signed) *J. Pattison.*
W. Wigram.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.; dated India Board, 23d December 1822.

Sir,

MR. AUBER's letter of the 11th of October, and that addressed by the Chairman and Deputy Chairman to Mr. Williams Wynn on the 17th inst. have been laid before the Commissioners for the Affairs of India.

Under the circumstances stated, the Board direct me to convey to the Court their consent to the appropriation of a sum not exceeding 453,457*l.* 10*s.* of the surplus home profits of the Company, to the payment of bills drawn in discharge of the principal of promissory notes of the General Register debt of the Bengal presidency, dated 30th April 1822.

In regard to the permission solicited by the holders of some of these bills to re-transfer the amount to the new 6 per cent. loan, the Board observe with satisfaction that the Court perceive the inconvenience which might arise from granting such a permission, without a previous assurance that the Board will sanction the despatch, without which it could not be carried into effect; and they are inclined to think that this assurance should be given officially, and not, as in the only former instance which has occurred since 1814, by a private understanding with the President.

Nevertheless, after what has been stated by the Chairman and Deputy Chairman, the Board are ready to concur in the measure adopted by the Court, so far as the Court stands already pledged to individuals.

But, considering the great importance of reducing the Indian debt, and the present amount (according to your letter of 20th June) of surplus applicable to that purpose, the Board are unwilling to give their sanction to the further extension of the permission desired, until they shall have been informed by the Court of the reasons which induce them to forego the opportunity of discharging nearly half a million of debt.

I am, &c.

(signed) *Thomas P. Courtenay.*

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.; dated East India House, 29th January 1823.

Sir,

IN your letter of the 23d ultimo, the consent of the Board of Commissioners for the Affairs of India was conveyed, for the appropriation of a sum not exceeding 453,457*l.* 10*s.* of the surplus home profits of the Company to the payment of bills drawn in discharge of the promissory notes of the General Register debt of the Bengal presidency, dated 30th April 1822.

The Court have since received advice of bills, drawn upon them to the amount of 943,385*l.* in excess of the sum of 453,457*l.* 10*s.* before mentioned.

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I have, therefore, the commands of the Court to request the approbation of the Board of Commissioners for the Affairs of India to the appropriation of a sum not exceeding 943,385*l.* to the payment of these bills, under the provisions of the Act of the 53 Geo. 3.

It is probable that this amount may contain some bills which the Court are pledged to individuals to re-invest; but bills have already been presented, or are expected to be presented, for acceptance and payment, to the amount of 602,048*l.* in excess of the sum for which the Board's approbation has been obtained.

The amount which the Court are pledged to re-invest, was stated in the letter of the Chairman and Deputy Chairman to Mr. Wynn, of the 17th ult. at about 350,000*l.*; but on a more accurate investigation, it appears that the amount is 456,683*l.* This difference has arisen by reason that many of the parties, on the first intelligence of the intended financial operations at Calcutta, requested the re-investment of the whole of the bills that might be remitted to them, without having stated the precise amount.

Of this 456,683*l.* it is, however, proper to observe, that bills to the amount only of 115,708*l.* have as yet been surrendered for re-investment, and the Court are induced to believe that this latter sum will comprehend the greater portion of bills to be surrendered to the Court under the pledge already given.

The Court entertain this opinion from the circumstance that many individuals who have obtained the Court's consent to the measure of re-investment, have since been informed by their agents, that their loan property, for which they expected bills on the Court, has been subscribed in India, under the advertisement of the Bengal government of the 26th Feb. 1822, which allowed the agents of absent proprietors, who had omitted to leave instructions, provisionally to transfer the notes of those proprietors to the new loan.

Applications are still before the Court, to which they are not pledged, for the re-investment of a further amount of bills, either drawn or expected to be drawn, in discharge of the principal of Indian debt, to the amount of 495,671*l.*; of this sum, bills to the amount of 225,632*l.* only have been surrendered, and probably, for the same reasons as have been before stated, as applicable to the individuals whose bills the Court are already pledged to re-invest, this 225,632*l.* will be nearly the whole amount seeking re-investment, of these additional applications.

The Court are desirous to consent to this extension of re-investment; and, in compliance with the suggestion contained in your letter of the 23d ultimo, will shortly state their reasons for acceding thereto, rather than, by paying the bills in England, effect a discharge of so much Indian debt.

The Court equally with the Board feel the great importance of reducing the Indian debt, and on the occasion now under consideration, a reduction will be probably effected to the extent of 1,055,505*l.* It is true that an amount of surplus commercial profit is still unappropriated, fully adequate to meet the whole of the bills drawn in discharge of that debt; but it is no less true that the commercial branch of the Company's affairs is in advance to the territorial branch to an amount exceeding the unappropriated surplus profit, and of which the repayment by India, in the way of commercial investment, must necessarily be a very difficult and tardy operation. It has hence appeared to the Court to be a more eligible disposition of their funds that this commercial balance should be made applicable in India to the redemption of debt, upon a plan similar to that directed by the Court, in their letter to Bengal in the Territorial Finance Department, of 29th June 1821, preferably to the demand being satisfied from the home treasury.

The Court have another reason for wishing an extended re-investment of bills from India.

It has been seen that the Bengal government issued an advertisement, permitting agents provisionally to subscribe the notes of absent proprietors to the new loan, and the Court have reason to believe, from the very limited amount of bills surrendered by the Bengal creditors (only 20,987*l.*), that the notes of by far the greatest proportion of those creditors have been subscribed under the government advertisement.

To deal impartially, therefore, with the creditors at Madras and Bombay, it appears to the Court that these creditors should not suffer in consequence of the late promulgation of the advertisement of the Bengal government at those presidencies respectively, which circumstance alone has probably caused the transmission of their bills upon the Court.

The Court, for these reasons, have commanded me to request the Board's acquiescence in the measure for re-investment of bills drawn upon them in discharge of the principal of Indian debt, to an amount not exceeding 495,671*l.* beyond the sum to which they have already consented; but the Court nevertheless apprehend that the bills to be tendered for re-investment will not nearly reach such an amount; it appears, on the contrary, much more probable that the aggregate of bills requiring a re-investment, both those to which the Court are pledged and those for which the concurrence of the Board is now requested, will not exceed the sum stated in the Court's letter of the 17th ultimo, viz. about 350,000*l.*

I am further commanded to request that the Board will be pleased to transmit their decision on the points herein submitted to their consideration at their earliest convenience.

I have, &c.

(signed) Joseph Dart, Secretary.

LETTER from *Thomas Peregrine Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 7th February 1823.

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Sir,

I HAVE laid before the Board of Commissioners for the Affairs of India your letter of the 29th ultimo, requesting the sanction of the Board to the appropriation of a sum not exceeding 943,385 *l.* from the surplus commercial profits of the Company to the payment of bills drawn in discharge of principal of the General Register debt of Bengal, requesting also the acquiescence of the Board in a further re-investment of bills drawn upon the same account. I am directed to observe, that previously to conveying the sanction requested, the Board think it desirable to ascertain, with as much precision as is practicable, what portion of the sum of 453,457 *l.*, the payment of which is already sanctioned by my letter of 23d December, is likely to fall in course of payment.

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In giving their sanction to the appropriation of an uncertain sum, the Board considered themselves as adopting a practice rather inconvenient, though warranted by the circumstances of the case; in the hope, therefore, that it may now be possible to ascertain the specific amount which will be required for the payment of bills, the Board wish to be apprised whether the advices which it is understood have been received from Bengal since the date of your letter, but which have not been as yet communicated to the Board, contain any further information respecting the amount for which bills have been drawn on the Court, and the amount belonging to absent proprietors which may have been transferred to the new loan.

I am, &c.

(signed) *Thomas Peregrine Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas Peregrine Courtenay*, Esq.;
dated East India House, 13th February 1823.

Sir,

IN reply to your letter of the 7th instant, in which the desire of the Board of Commissioners for the Affairs of India is conveyed, for certain information on the subject of bills drawn upon the Court of Directors, in liquidation of the principal of Indian debt, I am directed to state that bills of exchange for the full sum of 453,457 *l.* have been accepted by the Court, under the Board's sanction of 23d December last, and that the whole amount thereof will be paid in cash.

With respect to the specific amount which will be required for the payment of bills drawn upon the Court in discharge of principal, in consequence of the late financial operations in India, I am commanded to inform you that the letter from Bengal, in the Territorial Finance Department, of the 20th June last (of which a copy has been transmitted to the Board since the date of your letter), states the amount of principal of debt to be paid off by bills on the Court at sicca rupees 2,65,83,700, at 2 s. 6 d. 3,322,962 *l.*

With reference to the last inquiry of the Board, as to the amount belonging to absent proprietors which may have been transferred to the new loan, the Court desire me to inform you that they have not received any detailed statement from India upon the subject.

I have, &c.

(signed) *Joseph Dart*, Secretary.

LETTER from *Thomas Peregrine Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 21st February 1823.

Sir,

IN reference to your letter of the 29th ultimo, I am directed by the Commissioners for the Affairs of India to convey to the Court of Directors their consent to the appropriation of a sum not exceeding 943,385 *l.* of the surplus home profits of the Company to the payment of bills drawn in discharge of the principal of promissory notes of the General Register debt of the Bengal presidency, dated 30th April 1822.

To so much of your letter as regards the application of the several parties to re-invest certain bills drawn upon the Court upon the account of the principal of the debt, the Board will direct a reply to be made hereafter.

I am, &c.

(signed) *Thomas Peregrine Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas Peregrine Courtenay*, Esq.;
dated East India House, 8th April 1823.

Sir,

THE Court of Directors have for some time had under consideration the financial measures of the Bengal government, whereby an extensive demand will be made upon the home funds for the liquidation of bills drawn upon the Court in discharge of the principal of the promissory notes advertised for payment in India.

The Court are not accurately informed of the amount to which these drafts may reach. The finance letter of the 30th June last states the sum at 3,322,962 *l.*; registers of bills actually granted have been received, to the amount of 2,959,494 *l.*; and the Court are induced to believe that bills may be drawn upon them to the full extent of the sum contained in the financial letter from Bengal of the 30th June 1822.

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For the payment of a sum so far exceeding the ordinary means of the Company, whether viewed in reference to the unappropriated surplus home profits, or to the actual pecuniary balances at the disposal of the Court, some arrangement must of necessity be made which will require the concurrence of the Board of Commissioners for the Affairs of India.

Your letters of the 23d December 1822, and of the 21st February 1823, have conveyed the Board's consent to the application of 1,396,842*l.* of the surplus home profits to the payment of part of the bills recently drawn in discharge of Indian debt. The total sum of those home profits unappropriated on the 1st May 1822 was 1,959,579*l.*; and the Court are decidedly of opinion that it will be altogether inexpedient to discharge a greater amount of these bills under the 4th head of appropriation of the 57th section of the 53d of the late King, and thereby to trench further upon the surplus profit, as no greater amount will remain unappropriated after the application of the before-mentioned sum of 1,396,842*l.* than in the Court's opinion is absolutely necessary to reserve as a fund to cover contingent losses and expenses.

Adverting to the actual cash balances at the disposal of the Court, as exhibited in a prospective estimate to the 1st November 1825, it will be seen that the sum calculated to remain in the treasury after satisfying the demand for bills for Indian debt authorized to be accepted, will be reduced to the lowest scale consistently with a due regard to the currency of the Company's money concerns. The balance of cash on the 1st November 1825 being estimated at only 582,518*l.*

It may nevertheless be urged that although the actual cash transactions, as shown in the estimate before-mentioned, may preclude the payment of Indian debt bills to an amount exceeding the sum already accepted, the Court may have recourse to the stock purchased in 1820, in view to be applied to the redemption of the loan from the Public of 1812; and as that loan has been redeemed from other sources, the stock may now be applied in any way the necessities of the Company may require.

The Court have noticed this last circumstance, to show that in the view now taken, this resource has not been overlooked. They are still decidedly of opinion that it would be most unwise to hazard the embarrassment of the home finances by applying a larger sum to the payment of Indian debt bills than the amount that has been already accepted.

The inexpediency of a further application of the home funds is conclusive, if the Company's bond debt in England be adverted to. Should any political crisis cause public securities for money to be so far depreciated, as to bring these bonds to a discount, one consequence is inevitable, they will be tendered in payment for goods purchased at the Company's sales. A large reserve of cash, or of securities readily convertible into cash, is thus, in the Court's opinion, quite indispensable; and they would not be justified in consenting to any measure which shall have the effect of depriving the Company of those resources, by which alone they can provide against this not improbable contingency.

In the meantime the Board will doubtless concur with the Court, that these bills must be accepted and paid.

The Court looked to the re-investment of a portion of these bills, as one mode of reducing the demand upon the home funds. The Board have not concurred in the Court's desire to extend the operation of that measure. The only relief the Company will experience by the permission given to individuals to surrender their bills does not at the present moment exceed 201,014*l.*

A sum therefore exceeding 3,000,000*l.* sterling will be demanded from the home funds. From the circumstances hereinbefore brought to the notice of the Board, and from the best consideration the Court have been enabled to bestow upon the whole subject, they cannot recommend any other mode of meeting this demand than by directing a remittance to be made in bullion from India, to the extent of two crores of rupees, specifically to pay bills of exchange drawn upon the Court in discharge of Indian debt.

The Court therefore intend to avail themselves of the option of the postponement for such a proportion of these bills as will allow for a consignment in bullion from India to become available in this country in the following periods:—

One crore before the 1st November 1824: One crore before the 1st November 1825.

Although the cash balances of India appear, by the last advices, to have amounted to a sum fully equal to provide the whole consignment to be required, and the opinion of the Governor-general in Council is decided as to the competency of India to supply, without embarrassment, a further remittance in bullion, should such remittance be necessary, the Court think it will be more advisable to call for the remittance in equal portions, to be shipped in India in their seasons 1823-24 and 1824-25.

I have, &c.
(signed) J. Dart, Secretary.

LETTER from *Thomas P. Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 19th April 1823.

Sir,

THE Commissioners for the Affairs of India have attentively considered your letter of the 8th instant, relative to the liquidation of bills drawn upon the Court, in discharge of the principal of the promissory notes advertised for payment in India.

The Board are of opinion, with the Court, that according to the statements contained in your letter, it will be necessary, if the surplus home profits of the Company shall appear not sufficient, after making a reserve, conformably to your letter of 12th August 1818, to defray

defray these bills according to their postponed periods of payment, to draw funds from India for that purpose.

But the Board cannot judge of the extent of the deficiency to be supplied, nor, consequently, of the measures which may be proper for supplying it, until they shall be aware, 1st, of the amount of the reserve of unappropriated surplus which the Court think necessary, and 2dly of the present and probable future amount of unappropriated surplus.

The latest statement of surplus which the Board have received, is necessarily that which brings the statement to the 1st May 1822; and as another financial year is nearly completed, they are desirous of postponing their decision upon the Court's present suggestion, until they are acquainted with the amount of the surplus on the 1st May 1823.

In the meantime they wish to have information from the Court upon the subject of the reserve.

With respect to the three per cent. stock possessed by the Company, I am directed to refer you to my letter of the 20th November 1821.

I am, &c.

(signed) *Thomas P. Courtenay.*

LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.*;
dated East India House, 24th April 1823.

Sir,

THE Court of Directors, in reply to your letter of the 19th instant, on the subject of the provision of funds for the payment of bills drawn in liquidation of Indian debt, have in the first place to state their satisfaction in perceiving that the Board recognize the principle, that if the surplus home profits of the Company shall appear not sufficient to defray these bills according to their postponed periods of payment, after making a reserve, conformably with the letter I addressed to you on the 12th August 1818, it will be necessary to draw funds from India.

To judge of the extent of the deficiency to be supplied, the Board require :

1st. The amount of the reserve of unappropriated surplus which the Court think necessary.

2d. The present, and probable future, amount of unappropriated surplus.

With respect to the first point, it will appear by my letter of the 8th instant, that the Court have reserved the sum of 563,137 *l.*; but they have great difficulty in determining the amount which, as a general principle, ought to be reserved out of the home surplus profits, to cover contingent losses and expenses; such amount must be decided by a view of the Company's situation at the period when the reserve is made; and although at the present moment the Court have thought it expedient to reserve the sum of 563,137 *l.*, it will by no means follow that this amount shall constitute the maximum to be retained under all possible contingencies.

	£.
Surplus Home Profits, to	
1st May 1822 -	1,959,979
Bills drawn in discharge	
of Indian Debt, accepted by the Court -	1,396,842
Surplus unappropriated -	£. 563,137

On the second point, the Court have already shown that by the acceptance of bills of exchange, drawn in discharge of Indian debt, under your letters of 23d December 1822 and 21st February 1823, the surplus profit to the 1st May 1822, of 1,959,979 *l.* is pledged to the amount of 1,396,842 *l.*, and that the present unappropriated surplus is 563,137 *l.* The surplus that may be apparent at the close of the official year 1822-23 cannot as yet be stated, as the sales for the year are not completed. It will nevertheless be obvious to the Board, that under the recent loss of commercial property at Canton, and of that incurred by the wreck of the ship *Regent*, the expectation of any commercial surplus profit on the transactions of that year must be nearly, if not altogether, nugatory.

The probable future amount of unappropriated surplus profit, is by far too contingent and uncertain to ground any financial measure upon; but if in requiring such a statement, the Board infer that the Court may accept a large amount of Indian debt bills, upon the presumption of surplus profit to arise hereafter, the Court cannot concur in any such view of the subject.

As soon as the Court accept the bills, they would be pledged, under every contingency, to discharge them when due. The inexpediency, therefore, of making themselves answerable for a certain payment, however distant, upon the expectation of funds that may never be realized, is so apparent, that the Court trust the Board will be induced to abandon the idea, should it ever have been entertained.

The Board will have seen that any addition to the unappropriated surplus profit from the transactions of the year, ending 1st May 1823, cannot be relied upon; the Court therefore earnestly press for the Board's decision upon my letter of the 8th instant, that an answer may be given to the parties who have presented their bills for acceptance, and who are very urgent to receive a reply.

I have, &c.

(signed) *J. Dart, Secretary.*

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LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 25th April 1823.

Sir,
HAVING laid before the Commissioners for the Affairs of India your letter of the 24th instant, I am directed to apprise you, that the Board did not understand, from your letter of the 8th instant, that the Court were in any doubt whether or not to accept the bills therein mentioned. The Board apprehend that there can be no doubt of the propriety of accepting bills drawn on the Court by their governments in India, in the lawful exercise of their functions; but they are of opinion that, under the circumstances stated in your letters, it will be advisable that the payment of the bills should be deferred to the latest period to which the law allows the Court to postpone it. The Board will assuredly sanction the adoption of such measures before the bills respectively become due, as may be found advisable for meeting this demand upon the home treasury, without encroaching upon the necessary reserve of cash. It rests with the Court to propose these measures in the first instance, but the Board direct me to suggest, that it may not be difficult to obtain a considerable sum for the Court's bills upon the government of India, and that, in the opinion of the Board, that mode of obtaining funds ought to be tried before instructions are given for remitting bullion from India.

I am, &c.
(signed) *Thomas P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.;
dated East India House, 1st May 1823.

Sir,
YOUR letter of the 25th ultimo has been laid before the Court of Directors.
The Court much regret that the Board do not coincide with their views in respect to the remittance of bullion from India, to discharge the bills drawn from India in liquidation of territorial debt.

The arrangement proposed by the Court, in my letter of the 8th ultimo, appeared to them to be the most eligible mode by which to provide for this great demand upon the home treasury; and the clear inference to be drawn from that letter was, that, if territorial funds were not forthcoming to meet the pressure, the bills could not be accepted.

The Court are sensible of the expediency of accepting bills drawn upon them by their governments abroad, in the lawful exercise of their functions; they are aware of the unpleasant consequences which must result were the Court to refuse their acceptance on this occasion; but on the other hand, the derangement of the Company's commercial engagements, and possible interruption to the regular payment of their dividend, are evils of such magnitude, that the Court can never approve or entertain any measure by which these indispensable obligations would be put to hazard.

The alternative of drawing bills upon the Indian governments has been under the consideration of the Court, and only abandoned by reason of the many and strong objections against it. Nor have the Court overlooked the expediency of postponing the payment of the bills to the utmost limit allowed by their tenor; but while a balance of cash, at once redundant and unproductive, remained in the Indian treasuries, it did not appear to the Court to be the most advantageous mode of proceeding, to postpone the bills at an annual charge for interest of 100,000*l.*, when funds, without inconvenience, might be drawn from India, which otherwise would have been unemployed.

From these considerations the Court still hope the Board will agree to the proposal submitted in my letter of the 8th ultimo; as the Court cannot authorize the acceptance of the bills now presented to them, unless it shall be previously settled between the Board and the Court, that territorial funds are to be provided for the discharge of this territorial debt.

I have, &c.
(signed) *J. Dart*, Secretary.

Extract LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 6th May 1823.

IN reference to your letter of the 1st instant, I am directed by the Commissioners for the Affairs of India to assure you, that the Board would be extremely unwilling that the finances of the Company, whether in its commercial or in its political capacity, should be exposed to the hazard of embarrassment; and that, relying upon the Court's opinion that without a remittance of bullion from India they cannot feel assured of having the means of discharging the bills drawn from India, and that it will not be expedient to postpone the payment of all the bills to the latest period, the Board will give their sanction, without delay, to a despatch instructing the Bengal government to make the remittances proposed in your letter of 8th April last.

This instruction, so far as it concerns the remittance of the second crore, must, however, be subject to recall or modification, if it shall hereafter be thought desirable by the Court and Board that the remittance shall be made in a different manner from that now proposed, or that a portion of commercial surplus shall be employed for this purpose.

LETTER from *Thomas P. Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 2d June 1825.

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Sir,

I AM directed by the Commissioners for the Affairs of India to request that you will move the Court of Directors to furnish the Board, at their earliest convenience, with a continuation, up to the latest period to which it can be made up, of the Account of the surplus Commercial Profits of the Company, &c. in each year, in a similar form to that transmitted to this office on the 18th June 1823; specifying also the particular description of the Debt discharged from year to year, under the heads of "Home-bond Debt" and "India Debt;" and stating, against the respective sums, on what occasion the sanction of the Board to the appropriation was conveyed.

I am, &c.
(signed) *T. P. Courtenay.*

Extract LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.*;
dated East India House, 9th June 1825.

I HAVE the commands of the Court of Directors of the East India Company to transmit to you, for the information of the Board of Commissioners for the Affairs of India, an Account of the surplus Commercial Profits of the East India Company in England, after payment of the Dividends on the Capital Stock, from 1st May 1814 to 1st May 1825; together with the Amount appropriated in the same period, and showing the Balance remaining to be appropriated on the 1st May 1825.

The Statement, showing on what occasions the sanction of the Board to the appropriation of Surplus Profits to the discharge of Home-bond Debt and India Debt was conveyed, is forwarded in the paper marked (A).

Enclosure (A.)

ON the 31st January 1818, on the occasion of submitting certain accounts, showing the surplus commercial profits of the Company, the amount of bond debt stated to be paid off, was 628,300*l.*, and of Indian debt, 718,248*l.*

Of the bond debt stated to be paid off, the application of surplus commercial profits to the amount of 100,000*l.* was sanctioned by the Board, in their letter to the Court, of 22d August 1818.

Doubts having been entertained how far the Court were legally authorized to re-issue bonds which had been paid in, for goods purchased at their sales, the Court of Directors ordered a case to be prepared for the opinion of their standing counsel:

"1st. Whether the East India Company may lawfully re-issue such of their bonds as have been paid into their treasury for goods purchased at their sales, in the manner heretofore accustomed?"

"2d. Whether, when the Court of Directors, with the approbation of the Board of Commissioners, shall have reduced the principal of the bond debt, pursuant to 53 Geo. 3, c. 155, s. 57, they may lawfully again increase the bond debt, with the approbation of the Board of Commissioners, so as they do not in any case make the whole bond debt exceed the sum which the Company are now empowered to raise on bond?"

The opinion of Mr. Serjeant Bosanquet was as follows, upon the first point: "That the East India Company cannot lawfully re-issue such bonds as have been paid into their treasury for goods purchased at their sales, pursuant to the printed conditions of sale: by that transaction, it appears to me that the legal obligation of the bond is discharged; the assignee of the bond, in whom the legal as well as the equitable property is vested, by virtue of the 51 Geo. 3, c. 64, s. 4, having been satisfied by the Company."

Upon the second point, Mr. Serjeant Bosanquet was of opinion, "that when the Court of Directors, with the approbation of the Board of Commissioners, shall have reduced the principal of the bond debt, pursuant to the 53 Geo. 3, c. 155, s. 57, they may lawfully again increase the bond debt, with the approbation of the Board of Commissioners, so as they do not in any case make the whole bond debt exceed the sum which the Company are now empowered to raise on bond. The earliest Acts which authorize the creation of a bond debt clearly contemplate the power of diminishing and again increasing that debt: the 6 Ann, c. 17, s. 2, and 17 Geo. 2, c. 17, s. 8, having empowered the Company to borrow, upon the security of their seal, any sum or sums of money from time to time, so as the total sum which at any one time should be owing upon the security of the said seal, should not exceed a certain amount therein specified. The latter Acts are not so precisely worded, but they give no reason to suppose that any alteration of system was intended; and as all the Acts are made in *pari materiâ*, they must, according to the established principles of construction, be taken altogether. In addition to this, the 33 Geo. 3, c. 47, s. 15, and the 53 Geo. 3, c. 155, s. 60, directly recognize the power of again increasing the debt after a diminution, the former having provided, that after the bond debt should have been reduced to 1,500,000*l.*, it should not be lawful to increase it beyond that

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amount without the approbation of the Board of Commissioners, and that the whole increase should not exceed 500,000 *l.*; and the latter having provided, that if after the bond debt should have been reduced to 3,000,000 *l.* it should again be increased beyond that sum, the surplus proceeds of the Company should be appropriated to the reduction of such new debt until the sum should again be reduced to 3,000,000 *l.*"

It hence appears, that whenever bonds are paid in for goods purchased at the Company's sales, the legal obligation is discharged, and they cannot be lawfully re-issued; and all the bonds stated to be paid off are similarly situated to that portion of the bond debt for which the Board's sanction to the application of home profits to their discharge, was signified in their letter of 22d August 1818.

Of the bills drawn in discharge of principal of Indian debt, the sanction of the Board has been conveyed as under:

1814-15	- - -	£. 329,704	} Not objected to in the Statement submitted in January 1818.
1815-16	- - -	318,382	
1816-17	- - -	477	
1817-18	- - -	200	} Not sanctioned specifically.
1818-19	- - -	98	
1819-20	- - -	—	
1820-21	- - -	6,285	-- £. 6,020, sanctioned by the Board to be defrayed from surplus commercial profits, in their letter of 16th October 1819, and 21st December 1819: 265 <i>l.</i> not sanctioned specifically.
1821-22	- - -	10,576	-- £. 4,290, sanctioned by the Board, in their letter of 14th June 1821, the remainder, consisting of the same description of debt, not specifically sanctioned.
1822-23	- - -	25,500	-- £. 1,995, sanctioned by the Board on 25th March 1822, the remainder consists of the same description of debt previously sanctioned by the Board to be defrayed from surplus profits.
1823-24	- - -	1,396,842	-- sanctioned by the Board, in their letters of 23d December 1822, and 21st February 1823.
1824-25	- - -	—	

The consignment of bullion to India, in aid of the sinking fund was sanctioned by the Board of Commissioners, as an appropriation under the 4th head of the 57th clause of 53 Geo. 3, in their letters of the 18th September 1818, and the 5th April and 30th August 1819, approving the several resolutions of the Court of Directors respecting the consignment in question.

The finance letter to Bengal, directing the sum of 1,500,000 *l.* to be advanced to the sinking fund, and considered as an appropriation of surplus commercial profits, was approved by the Board of Commissioners, on the 27th June 1821.

East India House, }
8 June 1825. }

(signed) T. G. Lloyd, Acc^t Gen^l.

LETTER from *Thomas P. Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 3d August 1825.

Sir,

I HAVE laid before His Majesty's Commissioners for the Affairs of India the Statement enclosed in your letter of the 9th of June last, "showing on what occasions the sanction of the Board to the appropriation of surplus profits to the discharge of home-bond debt and India debt was conveyed."

With respect to the India debt, I am directed to observe, that several of the appropriations appear to have been made without the specific and previous sanction of the Board, and I am to apprise you that the Board feel themselves bound by the Acts which govern their proceedings, to desire that the direction of the law, in this respect, may be attended to in future cases.

The observations contained in the paper as to the reduction of the bond debt, by receiving bonds in payment at the Company's sales, and cancelling the bonds, have attracted the particular attention of the Board.

On the 22d of August 1818 I was directed by the Board to address to you a letter, of which the following is an extract:

"The Paper, No. 3, which accompanied your letter, purports to be a 'specification of the sums appropriated in the years 1814-15, 1815-16 and 1816-17, to the reduction of the home-bond debt.' It appears from this paper, that of the sum of 628,300 *l.*, stated to have been so applied, an amount of 100,000 *l.* only has been in fact applied to the reduction of debt; the remainder, consisting of bonds amounting to 295,000 *l.*, paid in upon the Company's

Company's sales, and of bonds for 232,500 *l.* brought up by the Company, both which classes of bonds, amounting together to 528,300 *l.*, are stated as 'not cancelled but re-issuable,' at the pleasure of the Court. So far as this sum of 528,300 *l.* is concerned, therefore, there is no permanent reduction of debt, nor can that amount be deducted from the amount of 'surplus profits remaining to be appropriated until those bonds shall actually have been cancelled with the approbation of this Board.'"

"With respect to the sum of 100,000 *l.* really applied to reduction of debt in the years 1814 and 1815, by cancelling bonds to that amount, the Board feel it their duty to observe, that by the statute any reduction of *bond debt at home*, as well as of debt in the East Indies, must be made 'with the approbation of the Board of Commissioners.' It can hardly be necessary to argue, that this approbation must, for any useful purpose, be asked *previously* to the cancelling of the bonds.

"The Board do not mean to withhold their approbation in the present instance, but they trust that the like oversight will be avoided in future."

To this letter no answer was returned, and it was thence to be inferred that the Court had subsequently avoided the practice to which the Board objected, either by not receiving the bonds, or by continuing them, when received, among the outstanding debts of the Company; but it now appears, that shortly after the receipt of my letter the Court took the opinion of their standing counsel on two questions, of which the first was as follows:

"Whether the East India Company may lawfully re-issue such of their bonds as have been paid into their treasury for goods purchased at their sales, in the manner heretofore accustomed?"

Mr. Serjeant Bosanquet answered this question in the negative.

According to this opinion, the Court are compelled to cancel all the bonds which may be paid in at their sales, and there cannot possibly be any previous communication to the Board of the amount of such bonds; they would necessarily be discharged without the previous sanction required by the law. The amount so cancelled since 1818 appears to have been inconsiderable, but there is no security against the largest influx of bonds, and the principle involved is of great importance; the Commissioners therefore regret that the professional opinion which has led to a practice opposed, according to their recorded conviction, to the letter and spirit of the law, should not within seven years have been communicated to them.

It appears to the Board that Mr. Serjeant Bosanquet has correctly stated the law upon the points referred to him; but they wish that his opinion had been asked, whether the practice which occasioned the question is in itself legal, for it must be obvious to the Court, that so long as that practice continues, and the Act of 1813 remains in force, the Company do, by the mode of transacting their commercial business, discharge a part of their debt, of which the law positively and specifically prohibits the discharge without the consent of the Commissioners for the Affairs of India. The Board do not wish to interfere with the practice of the Company in respect to their sales, and they apprehend that it might not be impossible to devise an arrangement, under which the practice of receiving bonds might be continued without contravening the law which restrains the discharge of the bond debt, and it appears to the Board that some such arrangement is absolutely necessary. At present I am only directed to request that the Court will acquaint the Board in what manner they reconcile the discharge of bonds received at the sales with the provisions of the 55th and 57th sections of the Act 53 Geo. 3, c. 155.

I am, &c.
(signed) T. P. Courtenay.

LETTER from *Thomas Peregrine Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 21st December 1825.

Sir,

I AM directed by the Commissioners for the Affairs of India to request that you will move the Court of Directors to direct that an early reply may be given to my letter, dated 3d August last, relative to the appropriation of surplus commercial profits, and to certain enactments and regulations applicable to the Company's bond debt in England.

I have, &c.
(signed) T. P. Courtenay.

LETTER from *Peter Auber, Esq.* to *T. P. Courtenay, Esq.*;
dated East India House, 5th January 1826.

Sir,

I AM ordered by the Court of Directors of the East India Company to acquaint you, for the information of the Board of Commissioners for the Affairs of India, that the Court have had under their consideration the observations contained in your letter of the 3d August last, and they have directed their particular attention to the request therein contained, that the Court will acquaint the Board in what manner they reconcile the discharge of bonds received at the Company's sales with the provisions of the 55th and 57th sections of the Act of 53 Geo. 3, c. 155; and I am commanded to inform you, that the Court are

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advised, and that it appears to them, upon the best consideration which they can give the subject, that the sections in question could only have been intended to prevent a voluntary application of surplus profit, after satisfying the three first heads of appropriation, to the liquidation or reduction of bond debt without the consent of the Board; and that it cannot be supposed that they were intended to interfere with the discharge and extinction of individual bonds in the ordinary course of the Company's business, as established long before the passing of the Act.

The clause in the conditions of the Company's sales, engaging to receive their own bonds in payment, was not only in use at the time of passing the Act of 1813, but had existed invariably from the time of the first creation of the bond debt, and it does in truth add very little, if anything, to the legal liability under which the Company always are, and must necessarily be, to the holders of their bonds; for it will not have escaped the observation of the Board, that it is not merely in the case of bonds received at their sales that the Company are liable to have their bonds paid in, and the debts thereby secured, according to the opinion of Mr. Serjeant Bosanquet, legally discharged; but that, by the very nature of the instruments themselves, and the terms in which they have been issued from their earliest existence, the Company are always under a legal obligation, and compellable by action, upon notice by the holders of bonds, to pay to such holders their amount, whereby the debt would be extinguished by operation of law. It appears, therefore, to be evident that every discharge of the Company's bonds is not to be considered a reduction of so much of the bond debt, within the meaning of the appropriation clauses of the Act of the 53 Geo. 3, c. 155, since the Legislature cannot have meant to impose a restriction which the Court of Directors would be continually under the unavoidable necessity, by operation of law, of contravening. And when the clauses in question are construed, as they must be, with reference to the subject-matter to be regulated thereby, and the object which they had in view, there seems very little reason to suppose that they were intended to make any alteration necessary in the ordinary and established course of business, by which bonds received in payment would, as theretofore, become extinguished; but the Court are fully aware that any deviation from the ancient course, inviting the holders of bonds to bring them in with a view to accelerate the discharge of the bond debt, would not be justified without the previous consent of the Board.

I am directed to add, that the opinion of Mr. Serjeant Bosanquet, alluded to in your letter of the 3d August, was taken with a view to a point altogether different from that now under discussion; the doubt which gave rise to taking that opinion having no reference to the appropriation clauses of the Act of 1813, but arising from the operation of the stamp laws, and the effect of a legal discharge for a bond, having been once given to the obligor.

The Court have finally to observe, that as regards the application of certain sums from commercial profits to the discharge of Indian debt, which the Board, in their letter of the 3d of August, have remarked upon as being made without their consent, it appears to the Court that, when it is seen that of the total sum, viz. 2,088,064 *l.*, thus discharged, the previous sanction of the Board has been obtained, except to the amount of 30,354 *l.*, the omission to request that sanction may be deemed one of inadvertence, rather than of intention to contravene the provisions of the Act of 1813; the fact is, that in the instances alluded to, the terms of the bills being after date, they were presented for payment considerably after they had become due, not having been previously brought for acceptance, and were consequently paid *instantly*, without a previous reference to the Board for their sanction, which sanction the Court trust, under this explanation, the Board will not withhold.

I have, &c.
(signed) *Peter Auber*,
Assistant Secretary.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.; dated India Board,
8th March 1826.

Sir,

HAVING laid before the Commissioners for the Affairs of India the letter from Mr. Auber of the 5th of January, in answer to mine of the 3d August last, I am directed to acquaint you that the Board are not prepared to say that the view which the Court takes of the operation of the Act of 1813 is incorrect. They are desirous, however, before they come to a decision, that the opinion of the Company's standing counsel should be taken expressly upon the following questions:—

1. Whether, with reference to the provisions of the Act 53 Geo. 3, c. 155, it is lawful for the Company to receive their bonds in payment of goods sold, and to cancel such bonds, discharging the amount thereof by so much of the Company's commercial surplus, without the previous consent of the Board of Commissioners?

2. Supposing payment of a bond to be demanded, in virtue of the terms of the bond (as stated in your letter) at a time when there is no commercial surplus, how is the same to be discharged?

In regard to the sums already applied from surplus commercial profit to the discharge of the Indian debt, without the previous sanction of the Board, I am directed to acquaint you that under the explanation given in your letter, they are not disposed to withhold their sanction

tion to those appropriations. As the omission is stated in that explanation to have arisen from inadvertence only, it will be sufficient, on the present occasion, to refer to the observation on this point contained in the second paragraph of my letter of 3d August last.

I have, &c.
(signed) *Thomas P. Courtenay.*

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LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.*;
dated East India House, 14th July 1826.

Sir,

THE Court of Directors, in compliance with the desire of the Board of Commissioners, expressed in your letter of the 8th March last, having directed a Case to be prepared for the opinion of the Company's standing counsel, upon certain points connected with the discharge of the Company's bond debt in England, I am commanded to transmit a copy of the said Case and Opinion for their information.

I have, &c.
(signed) *J. Dart, Secretary.*

(Enclosure.)

CASE for the East India Company.

THE East India Company were incorporated by and now act under a Charter, granted by King William the Third, dated the 5th September 1698. The main object of the incorporation was to establish the Company as traders, with a joint-stock, to and from the East Indies; they engaged that trade exclusively till the year 1814. By the Charter, the Company are entitled to the ordering, rule and government of all such forts, factories and plantations as should at any time be settled by the Company, with power to appoint and displace governors and officers; and for such governors and officers, according to the directions of the Company, to raise, train and muster such military forces as should be necessary for the defence of the said forts, places and plantations: and the Company, under and by virtue of other Charters, (to the benefit of which they became entitled) have power to send ships of war to their settlements in the East Indies, to raise and keep a military force, and to make peace or war with any princes or people, not Christians, in any places of their trade, and also to right and recompense themselves upon the goods, estate or people of those parts by whom they should sustain any injury, loss or damage, or upon any other people that should any way interrupt, wrong or injure them in their trade, within the limits of their Charter.

Previously to the middle of the last century, the Company had established very considerable factories and settlements in the East Indies: but till that time such factories and settlements were considered purely as subsidiary to their trade. Shortly after the middle of the last century, the Company acquired, by conquest and treaty, extensive territorial dominions, yielding very large revenues, which were looked to as an object of great profit to the Company, and were of a magnitude to induce a claim on the part of the British nation to the property of them, and several Acts of Parliament have been passed from time to time, and (some of which Acts will be hereafter referred to), by which the possession of the countries and revenues thus acquired has been continued in the East India Company, subject to Parliamentary regulation, but without prejudice to the rights either of the Public or the Company.

The affairs of the Company, political and commercial, have required permanent loans of very considerable sums of money, both at home and in the East Indies.

The debt of a permanent nature at home, is called the Bond debt; the debt of a permanent nature abroad, is called the Indian debt.

The questions hereafter proposed relate solely to the bond debt; but as the Indian debt has had considerable influence upon the bond debt, and as the Parliamentary enactments as to the one occasionally have reference to the other, we have thought it expedient to trouble counsel with the history of both in some degree, that the object of the Parliamentary regulations respecting them may be more intelligible.

The bond debt was originally occasioned by their mercantile concerns; but since the acquisition of Indian territory, the money raised thereby has been applied to political as well as commercial purposes; its existence and amount has at times been authorized and limited by Parliamentary regulation. The following is the substance of the Acts relative to it:

The Company are restricted (for the protection of the Bank of England, and in good faith to them) from borrowing, owing or giving security for any other sum of money than shall be employed in their trade; and it is required, that all sums borrowed shall be borrowed only on their common seal, and shall not be payable at any time less than six months from the time of the borrowing thereof. 9 & 10 W. 3, c. 44, s. 75.

To enable the Company to advance a sum of 1,200,000 *l.* to Government, it is declared that the common seal of the Company may be made use of to borrow any sum or sums of money from time to time, upon account of the united stock and fund, so as the sum total of all the principal monies which at any one time should be owing upon the security of the said seal, should not exceed 1,500,000 *l.* over and above the monies which might lawfully be borrowed thereupon before the making of that Act. 6 Ann. c. 17, s. 2.

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* 7 Geo 1, c. 5,
s. 32 & 33.

17 Geo. 2, c. 17.
s. 8.

23 Geo 2, c. 22 ;

s. 6.

23 Geo. 3, c. 36,
s. 2.

23 Geo. 3, c. 29,

33 Geo 3, c. 47 :

s. 14.

s 15.

34 Geo. 3, c 41.

37 Geo 3, c. 31.

47 Geo. 3, c. 41.

51 Geo 3, c. 64.

The Company were empowered * to extend their bond debt to the extent of 5,000,000 *l.*, with a proviso, that it should not be lawful for the Company to borrow, owe or give security for any greater sum than should be employed in their trade, or should be advanced or lent on the bottom of any ship, or on goods on board any ship of the Company, or in the service of the Company, to any captain, agent, sailor or other person which should at any time be employed in the service of the Company, with a similar proviso, as in the Act of Queen Anne, requiring that all monies borrowed should be borrowed on the common seal, and should not be made payable in less than six months.

In order to enable the Company to advance a further sum of 1,000,000 *l.* to the Public, they were empowered to borrow further sums of money upon the security of their seal, so as the sum total of all principal monies which should at any one time be owing upon the security of the said seal, should not exceed 1,000,000 *l.* over and above the monies which might lawfully be borrowed thereupon before the making of that Act.

The Company were empowered to raise money by sale of annuities, upon the credit of annuities payable by the Public to the Company.

It is enacted, that the several powers given to the Company by several Acts of Parliament then in force, for raising money by bond, should continue and be in force, but that the amount of the sums which the Company should raise by sale of annuities by virtue of that Act, should be applied towards the discharge of their then bond debt, and should be computed and considered as part of what they were so empowered to borrow.

By the means mentioned in the Act last referred to, and otherwise, the bond debt of the Company was in fact reduced to the sum of 1,500,000 *l.*, and did not exceed that sum at the time when the Act of Parliament next hereinafter mentioned was passed.

In order to give a temporary relief to the Company in respect to their commercial debts, the Company are empowered to borrow money upon and issue bonds under their common seal, as the affairs of the Company might require, not exceeding the sum of 500,000 *l.* beyond the amount of the Company's then bond debt.

Recites, that it was expedient, in consideration of the then state of the affairs of the Company, that they should be enabled to issue bonds for the purposes of their trade, and for discharging sundry demands to which they were liable, to a larger amount than they were then by law authorized to do ; and it enacts, that it should be lawful for the Company to borrow money upon and issue bonds under their common seal, as the affairs of the Company might require, not exceeding the sum of 1,200,000 *l.* beyond the sum for which the Company might then by law issue their bonds.

By this Act the Company were enabled to raise money by increasing their capital stock.

That out of the monies so raised, the Company were required, in the first place, to apply so much thereof as should be sufficient for the purpose of reducing their bond debt in Great Britain to the sum of 1,500,000 *l.*

That after the bond debt should be reduced to 1,500,000 *l.*, it should not be lawful for the Company to increase their bond debt in Great Britain beyond that amount without the approbation of the Board of Commissioners for the Affairs of India, and that the whole increase should in nowise exceed 100,000 *l.*

The Company were empowered to continue their bond debt at the sum of 2,000,000 *l.*, without applying any further part of the money raised under the Act of 33d Geo. 3, in reduction of it to 1,500,000 *l.* ; and the Company were further empowered, with the approbation and consent of the Commissioners for the Affairs of India, at any time or times thereafter, to borrow upon and issue bonds under their common seal for any further sum or sums of money, not exceeding in the whole 1,000,000 *l.*, for the purposes of their trade, as circumstances might require.

Reciting, that the affairs of the Company required the permanent advance of a considerable sum of money beyond what the Company could raise under the powers then vested in them by law ; they are empowered to raise money by adding 2,000,000 *l.* to their capital stock.

[Note.—The Company have never yet availed themselves of this Act.]

After reciting the three Acts last above referred to, the Company were empowered, with the consent of the Board of Commissioners for the Affairs of India, at any time or times thereafter, to borrow upon bond any further sums, not exceeding 2,000,000 *l.* sterling over and above such sums as the Company could then lawfully raise on their bonds, and to apply the money so borrowed for such purposes as, under the Act of 37th Geo. 3, the money to be raised by enlarging the capital stock was applicable.

After reciting the Acts of 37 and 47 Geo. 3, and that a considerable part of the debt secured by the engagement of the said Company in the East Indies, and which was incurred by reason of territorial and political expenses in that country, had then lately been discharged in India by means of bills drawn by the governments of the said Company in the East Indies, upon their Court of Directors in London, and thereby it had become necessary for the said Company to provide in this country a much larger sum of money than in the ordinary course of their transactions could arise from the sales of their goods, and the ordinary receipts and means of the said Company :

And reciting, that the Company had not yet increased their capital stock by virtue of the powers contained in the first-mentioned Act, and that it was expedient that their power to raise money upon their bonds should be enlarged, so that they might be enabled either to raise a further sum by bond or by increase of their capital stock ; and therefore that the provision in the said last-recited Act, as to the application of the money to be raised by increasing the capital stock of the said Company, and as to the reduction of the power of the said Company to increase the bond debt in a certain case,

case, should be repealed, and that other provisions should be made in respect thereof; it is enacted, "That it shall and may be lawful to and for the said Company, by and with the approbation and consent of the Board of Commissioners for the Affairs of India for the time being, at any time or times hereafter, to borrow, upon bonds to be issued under their common seal, any further sum and sums of money not exceeding in the whole the sum of 2,000,000*l.* sterling over and above such sum and sums as the Company can now lawfully raise on their bonds, and to apply the money so to be borrowed and raised for such purposes as, under and by virtue of the said Act of the 37th year of the reign of his said Majesty, the money to be raised by enlarging the capital stock of the said Company is applicable, anything contained in the said recited Act or any other Act notwithstanding.

"And be it further enacted, that so much of the said Act of the 47th year of the reign of his present Majesty as provides that all the money to be raised by enlarging the capital stock of the said Company as therein mentioned, should be applied towards the reduction of the bond debt of the said United Company until it should be so reduced to the sum which the said Company might then lawfully raise by bond, and as provides, that in case the said Company should enlarge their capital stock, then that the sum which they were thereby empowered to raise by bond should be reduced, shall be and the same is hereby repealed.

"Provided always, and be it enacted, that when the said United Company shall have raised, under and by virtue of the said Act of the 37th year of the reign of his present Majesty, and of the said Act of the 47th year of the reign of his present Majesty, and of this Act, such sums of money as together shall amount to the sum of 4,000,000*l.* sterling, then and from thenceforth it shall not be lawful for the said Company to raise any further sum of money upon bond; and all money which from thenceforth shall be raised by increase of capital stock under and by virtue of the said first-mentioned Act shall be applied in discharge of the said bond debt, until the said bond debt created by virtue of the said Act of the 47th year of the reign of his Majesty or this Act, together with the money to be raised by increase of capital as aforesaid, shall be reduced to the sum of 4,000,000*l.* sterling.

"And whereas bonds, issued under the common seal of the said United Company, for money borrowed by them by virtue of the powers enabling them to borrow money upon bond, have usually been entered into, and have been expressed to have been made payable to the person who for the time being has been the treasurer of the said United Company, or his assigns, and upon his indorsement thereof they have been sold and passed from one person to another by delivery of the possession thereof, and it is expedient that a legal effect should be given to such mode of transfer of the property in the said bonds and the money secured thereby; be it therefore further enacted, that all bonds issued or to be issued under the common seal of the said United Company by virtue of any power by which they have been, are or hereafter may be authorized to borrow money upon their bonds, shall be assignable and transferable by delivery of the possession thereof; and upon every such assignment or transfer, the money secured by the bond so assigned or transferred, and due and to become due thereon, and the property in such bond, shall be absolutely vested as well at law as in equity in the person or persons, body or bodies politic and corporate, to whom the same shall be so assigned or transferred, and the person or persons, body or bodies politic and corporate, to whom any such bond shall be so assigned and transferred, and his, her or their executors, administrators and successors respectively, shall and may maintain his, her or their action for the principal and interest secured thereby and due thereon, or otherwise relating thereto, in like manner as the obligee or obligees named in any such bond, or his, her and their executors, administrators and successors, may now maintain any action thereon; and in every such action the plaintiff or plaintiffs shall recover his, her or their debt, damages and costs of suit; and if any such plaintiff or plaintiffs shall be nonsuited, or a verdict be given against him, her or them, the defendant or defendants shall recover his, her or their costs against the plaintiff or plaintiffs; and every such plaintiff or plaintiffs, defendant or defendants respectively recovering, may sue out execution for such debt, damages and costs by *capias*, *fieri facias*, or *elegit*."

The debt for money borrowed in the East Indies originated in political necessity, and it is now quite certain that the whole of the money so borrowed has been absorbed by political expenses, occasioned by their possession of the Indian territories. The original creation of the Indian debt was not authorized either by Charter or Act of Parliament, and perhaps it was justifiable only by political necessity; it has, however, since its creation, been frequently recognized by Parliament, but its amount has never been limited. The terms on which loans of money have been made in India have been very different from each other; for some, the Company have been merely pledged for the repayment, and have been rendered liable to the lenders, either at home or abroad, wherever and whenever they should please to call for repayment: other loans have been made upon condition of repayment, on the expiration of specified periods, and sometimes at home and sometimes abroad, and at other times either at home or abroad, at the option of the creditors. The principal of the larger part of the existing debt for money borrowed in India, according to the terms of the loans, is repayable in India, but the creditors are entitled, at their option, to be paid their interest from time to time in money in India, or by bills of exchange payable and to be provided for by the Company in London.

The only Act of Parliament which separately relates to the Indian debt is 52 Geo. 3, c. 135, which recites that it had been resolved that a sum not exceeding 2,500,000*l.*

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s. 3.

s. 4.

52 Geo. 3, c. 135.

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52 Geo. 3, c. 135,
s. 11.

should be granted to his Majesty, for the purpose of enabling his Majesty to advance the like sum to the East India Company, for their relief under their then present circumstances, and that it had been provided that the said sum should be raised by the creation of 3,000,000 *l.* reduced 3 per cent. annuities, and 1,400,000 *l.* consols; and that it had been agreed that the interest thereof, and the sums to be paid on account of the sinking fund, for redemption and for charges of management thereof, should be charged and be deemed and considered to be a charge upon the revenues of the British territories in the East Indies, and should be advanced by the East India Company in London, to answer the said interest, sinking fund and charges of management: and the Act then provides for creation of the annuities, and for payment by the East India Company in London of the sums required for the interest, sinking fund and charges of management from time to time as they should become due.

Sect. 11 enacts, that the several sums to be paid for interest, sinking fund, and charges of management should be and be deemed and considered to be a charge upon the revenues of the territorial acquisitions in the East Indies, in like manner as if the interest payable in respect of the Indian debts, which had been or might be discharged by means of the said 2,500,000 *l.*, had remained payable in the East Indies, and that it should be lawful for the East India Company to cause funds for the payment of such interest, sinking fund and charges of management and all sums of money which they should have become liable to pay in respect thereof, to be appropriated and provided for out of the Indian revenues, and to be remitted to England in the same order of preference in which the interest on such debts so discharged would have been payable if they had remained due and owing in the East Indies.

Since the time when the Company first acquired territory in the East Indies and the revenue thereof was claimed on the part of the Public, the funds of the Company, both at home and abroad, have from time to time at different periods been appropriated by agreement, confirmed by Acts of Parliament, to specific objects: and different provisions have existed at different times for the government of this country, having a cognizance of the management of the Company's affairs: these Acts are the 9th Geo. 3, c. 24; 13th Geo. 3, c. 64; 19th Geo. 3, c. 61; 20th Geo. 3, c. 56; 21st Geo. 3, c. 65, and 33d Geo. 3, c. 52, the appropriating provisions of which have all determined: by the Acts of the 13th, 19th and 20th Geo. 3, the Company are required half-yearly, and by the Act of 21st Geo. 3, they are required yearly (and by the last Act it is expressed to be in order to ascertain the yearly net profits arising from the Company's trade and revenues), to cause to be made up with as much accuracy as the nature of the case will admit, a statement of the profit and loss upon the whole of the trade and revenues of the Company, together with the state of the debts of the Company in England from the 1st day of March in every year to the 1st day of March in each succeeding year, which account was to be transmitted within 30 days after the day to which such statements or accounts were made up, to the Lords of the Treasury; and by the Act of the 21st of the King, the Company were required to make out at the same time with the account before directed, an account of the value of all the Company's goods which should remain unsold in their warehouses in England at the time of making up the said account, exclusive of discounts, customs, commission to supercargoes, and of all and every other charge whatsoever, to be deducted therefrom; and it was also required that accounts of the gross amount of all the territorial revenues received by the Company, and of all their disbursements, charges of management, civil, military and other expenses and charges, and also of the said Company's debts at each of their settlements in the East Indies, and accounts of the net proceeds of each of their settlements in the East Indies, should be made up annually, and delivered to the Lords of the Treasury on or as soon after the 1st day of March in each year as the receipt of the necessary materials from the East Indies would allow to prepare such accounts.

In the Act of the 33d of the King no direction is contained for the Company's delivering any accounts to the Lords of the Treasury, or for their making up any profit and loss account, but the following provision is substituted for the provisions in the Act of 21st Geo. 3, as to making up accounts:

33 Geo. 3, c. 52,
s. 126.

"And be it further enacted, that the Court of Directors of the said Company shall, within the first 14 sitting days next after the 30th day of March in every year, lay before both Houses of Parliament an account, made up according to the latest advices which shall have been received, and with as much accuracy as the nature of the case will admit, of the annual produce of the revenues of the British territories in India, distinguishing the same under the respective heads thereof at each of their several presidencies or settlements, with the amount of their sales of goods and stores within the limits of their exclusive trade; and of their annual disbursements within the said limits, distinguishing the same under the respective heads thereof, together with the latest estimate of the same; and also the amount of their debts abroad, with the rates of interest they respectively carry, and the annual amount of such interest; the state of their effects at each presidency or settlement and in China, consisting of cash and bills in their treasuries, goods and stores and debts owing to the said Company, according to the latest advices which shall have been received thereof; and also a list of their several establishments in India and other parts within the limits of their exclusive trade, and the salaries and allowances payable by the said Company in respect thereof; and also another annual account, made up to the 1st day of March next preceding the delivery thereof to Parliament, containing the amount of the proceeds of the sale of the goods and merchandizes of the said Company in Great Britain and of their

their commercial and other receipts, charges and payments in Great Britain, under the several heads thereof, together with an estimate of the same for the current year, and a statement of their bond debts and simple-contract debts, with the rates of interest they respectively carry, and the amount of such interest, and the state of the cash remaining in their treasury, and other effects appertaining to the Company in Great Britain or afloat: and if any new or increased salaries, establishments or pensions, payable in Great Britain, shall have been granted or created within the preceding year, the particulars thereof shall be specially stated and inserted at the foot of such account."

The following are the provisions by which the Company's funds abroad and at home are now specially appropriated:

"And be it further enacted, that for and during the continuance of the possession and government of the said territorial acquisitions and revenues in the said United Company, the rents, revenues and profits arising from the said territorial acquisitions, after defraying the charges and expenses of collecting the same, shall be applied and disposed of to and for the uses and purposes hereinafter expressed, in the following order of preference, and to or for no other use or purpose, or in any other manner whatsoever, any Act or Acts of Parliament now in force to the contrary notwithstanding; (that is to say,) In the first place, in defraying all the charges and expenses of raising and maintaining the forces, as well European as Native, military, artillery and marine, on the establishments in the East Indies and parts aforesaid, and of maintaining the forts and garrisons there, and providing warlike and naval stores: Secondly, in payment of the interest accruing on the debts owing or which may be hereafter incurred by the said Company in the East Indies or parts aforesaid, including that portion thereof for which bills shall be demanded payable in England, and for which provision shall at all times be made by consignments or remittances to England, as the said Court of Directors, with the approbation of the said Commissioners for the Affairs of India, shall from time to time direct: Thirdly, in defraying the civil and commercial establishments of the said Company at their several settlements there: Fourthly, towards the liquidation of the territorial debt of the said Company, or of the bond debt at home, or to such other purposes, subject to the provisions hereinafter made, as the said Court of Directors, with the approbation of the Board of Commissioners for the Affairs of India, shall from time to time direct, any Act or Acts of Parliament to the contrary thereof notwithstanding.

"And whereas it is not reasonable that the commercial funds of the said Company should be exposed to embarrassment by payments made in Europe on account of territorial charges; Be it therefore enacted, that a sum equal to the actual payments which shall have been made from the commercial funds at home on account of territorial charges in the year preceding, after deducting therefrom the charges of the commercial establishments and all the commercial charges in India which may have been paid from the territorial revenues in the same year, shall in each and in every year be issued in India for the purpose of the said Company's China or India investment, or of remittance to England on account of the said Company, at the option of the said Court of Directors: Provided always, that any excess which may happen to be issued in any year for the purposes of investment, beyond the actual payment which shall have been made in the same year by the said Company in Europe, on account of territorial charges, shall be taken into account in diminution of the sum to be applied to the purposes of investment for the year following.

"And be it further enacted, that for and during the continuance of the possession and government of the said territorial acquisitions and revenues in the said United Company, the net proceeds of their sales of goods at home, with the duties and allowances arising by private trade, and all the commercial profits and other receipts of the said Company in Great Britain, shall be applied and disposed of in manner following; (that is to say,) First, in providing for payment of bills of exchange already accepted and hereafter to be accepted by the said Company, as the same shall become due: Secondly, in providing for the current payment of other debts (the principal of the bond debt in England always excepted) as well as interest, and the commercial outgoings, charges and expenses of the said Company: Thirdly, in payment of a dividend after the rate of 10 l. per centum per annum on the present or any future amount of the capital stock of the said Company, for and during such time as a certain fund of the said Company's hereinafter mentioned, called "The Company's separate Fund," shall be sufficient to pay a dividend, after the rate of 10 s. for every 100 l. per annum, on the present or any future amount of the capital stock of the said Company, and when and so soon as the said last-mentioned fund shall be exhausted, then in payment of a dividend at the rate of 10 l. 10 s. per centum per annum on the then existing or future capital stock of the said Company: provided that no greater dividend shall be paid in the whole, in any one year, than at the said rate of 10 l. 10 s. per centum per annum upon the present or future capital stock of the said Company: Fourthly, in reduction of the principal of the debt in the East Indies or parts aforesaid, or of the bond debt at home, as the said Court of Directors, with the approbation of the said Board of Commissioners, shall from time to time direct, any Act or Acts of Parliament to the contrary notwithstanding.

"And whereas it is not reasonable that the Company's commercial profits should be liable annually to the payment in Europe of territorial charges, till the said dividend after the rate of 10 l. 10 s. per centum per annum shall have been paid and discharged; Be it therefore provided and enacted, that the net proceeds of the sales of goods and other commercial profits of the Company in Great Britain as aforesaid, shall not be liable to the

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liquidation of any charge on account of the territorial or political government of India payable in England, or any bill of exchange or certificate drawn on account of the territorial or political charge in India, till after the dividend on the capital stock of the said Company shall first have been provided for; excepting always such bills and certificates for the amount of which value shall have been previously paid in India from the territorial or political funds, and consignments or remittances made thereof to England, for the liquidation of the said bills and certificates; excepting likewise the amount of the interest and sinking fund on the loan advanced by the Public to the said Company, as provided in an Act passed in the 52d year of his present Majesty, intituled, 'An Act for advancing 2,500,000 *l.* to the East India Company, to enable them to discharge part of the East India Debt,' which said interest and sinking fund shall nevertheless continue to be deemed a territorial charge, and shall be accounted for as such out of the produce of the revenues of India; provided also, that in case sufficient funds shall not remain in the hands of the said Company, after payment of the dividend, to discharge all such bills as shall be drawn for the interest of any loan in India under conditions now subsisting, or which may be contracted at any time before the 10th day of April 1814, entitling the holders of such loan to receive bills on the said Company for the payment of the interest thereof, the residue of such bills, so long as such interest may be demandable in England, shall be discharged in such manner as Parliament shall from time to time direct; provided also, that if any monies shall be received into the treasury of the Company at home, upon the credit of bills to be drawn upon the Company's territorial or political funds abroad, or in liquidation of bills of exchange remitted, or of any other security for advances made in India from the said territorial or political funds, or of any advances made from such funds on account of His Majesty's Government, or on any other account, the said monies shall be set apart and applied to defray the territorial or political charges to which the said Company is liable in Europe, and the excess of such funds shall be subject to such further appropriations as the territorial revenues are liable to by virtue of this Act; provided also, that in the event of the commercial profits of the said Company at home being insufficient, in any year, fully to defray the said dividend, it shall and may be lawful to make good any such deficiency out of any surplus revenue that may have arisen in the preceding year of account out of the territorial revenues, after the payment of all charges, interest of debt included.

33 Geo. 3, c. 155,
s. 59.

"And be it further enacted, that when the principal debt of the said United Company, bearing interest in India, shall have been reduced to the sum of 10,000,000 *l.* sterling, calculated at the exchange of 2 *s.* for the Bengal current rupee, 8 *s.* for the Madras pagoda, and 2 *s.* 3 *d.* for the Bombay rupee, and the bonded debt in Great Britain shall have been reduced to the sum of 3,000,000 *l.* sterling, then and thereafter the surplus proceeds which shall be found to arise from the said rents, revenues and profits of the said territorial acquisitions, and from sales of the goods and the profits of the trade of the said Company, or in any other manner, after providing for the payments aforesaid, shall be applied to the more speedy repayment of the capital of any public funds or securities which have been or may be created for the use of the said Company, the charges of which have been or may be directed to be borne by the said Company by virtue of any Act or Acts of Parliament, and that any further surplus that may arise shall be set apart and from time to time paid into the receipt of His Majesty's Exchequer, to be applied as Parliament shall direct, without interest to be paid to the Company in respect or for the use thereof; but nevertheless it is hereby declared, that all such sums of money as shall be so paid into the receipt of His Majesty's Exchequer as aforesaid, not exceeding 12,000,000 *l.* sterling, shall be deemed and taken to be a fund for securing to the said United Company the capital stock of the said United Company, and also a dividend at the rate of 10 *l.* 10 *s.* per centum per annum in respect thereof; and of the excess of such payments, if any, beyond the said amount of 12,000,000 *l.* sterling, one sixth part shall from time to time be reserved and retained by the said United Company for their own use and benefit, and the remaining five sixth parts shall be deemed and shall be the property of the Public, and at the disposal of Parliament.

s. 60.

"Provided also, and be it further enacted, that if the debts of the said Company in India, after the same shall have been reduced to 10,000,000 *l.* sterling, calculated as aforesaid, shall be again increased beyond that amount, or if their bond debt in Great Britain, after the same shall have been reduced to 3,000,000 *l.* sterling, shall be again increased beyond that sum, then so often as either of those cases shall happen, such surplus proceeds shall be appropriated to the reduction of the said new debts respectively, until the whole of the debts of the said Company in India shall be again reduced to 10,000,000 *l.* sterling, calculated as aforesaid, and their bond debt in Great Britain to 3,000,000 *l.* sterling, anything in this Act contained to the contrary notwithstanding.

s. 64.

"And be it further enacted, that from and after the passing of this Act, the said Court of Directors of the said Company shall and they are hereby required to direct and order that the books of account of the said Company, at their several presidencies and settlements in India, at their factory in China, at the island of St. Helena, and in all other places as well abroad as in England, be so kept and arranged as that the same shall contain and exhibit the receipts, disbursements, debts and assets appertaining to or connected with the territorial, political and commercial branches of their affairs respectively, and that the same shall be made up in such manner that the said books shall contain and exhibit the accounts of the territorial and political departments separately and distinctly from such as appertain to or are connected with the commercial branch of their affairs; and the said Court of Directors are hereby required forthwith, after the passing of this Act, to prepare a plan for an

an arrangement of the accounts of the said Company in the manner aforesaid, and to submit the same to the said Board of Commissioners for the Affairs of India for their approbation; and it shall be lawful for the said Board of Commissioners from time to time to make such alterations and amendments therein, and such additions thereto, as they shall think fit, which said plan so approved, altered, amended or added to by the said Board of Commissioners, the said Court of Directors shall direct and order to be carried into execution."

"And be it further enacted, that the several accounts required by the said Act of Parliament of Great Britain of the 33d year of His present Majesty to be annually laid before both Houses of Parliament, shall be henceforth prepared and arranged, in conformity to the principles of separation hereinbefore directed, of the territorial and political branch from the commercial branch of the affairs of the said United Company."

The provision of the 33d Geo. 3, c. 52, s. 126, still remains in force, excepting that by the Act of 54 Geo. 3, c. 36, s. 55, the accounts are directed to be made up to the 1st May in each year, instead of to the 1st March.

The bonds which the Company have issued by virtue of the powers given to them by the several before-mentioned Acts, have always been in the following form, varying only the sum, the date, the name of the treasurer, and the rate of interest; they are always made payable to the treasurer for the time being, his executors, administrators or assigns, and are signed by the Company's accountant and deputy accountant for the time being, and sealed with the Company's seal.

"No. (A.) 15,056.

£. 100.

"The United Company of Merchants of England trading to the East Indies, do acknowledge to have received of William Harris One hundred pounds, which the said Company promise to repay to the said William Harris, his executors, administrators or assigns, (by indorsement hereon) with interest for the same, from the 31st day of March last, after the rate of 3 *l.* for 100 *l.* for a year, at the East India House in Leadenhall-street, London, on six months notice to be given by the Company in the London Gazette, or on six months notice to be given by the said William Harris, his executors, administrators or assigns, to the Company's accountant in writing at the East India House aforesaid, for the true payment whereof in manner aforesaid the said Company do hereby bind themselves and their successors in the penal sum of 200 *l.* In witness whereof the said Company have caused their common seal to be hereunto affixed, this 1st day of April 1775.

"Signed by order of the Court of Directors
of the said Company,

"Samuel Nicoll.
"H. Richardson."

L. S.

The bonds have always been issued upon such a stamp as at the date of their respective issues was requisite by the then existing stamp laws for a money bond to that amount.

The interest upon them has been payable half-yearly, on 31st March and 30th September, and has been paid from time to time as soon after those days as the holders have applied at the India House; when the interest is paid at the India House, the date up to which it is paid is endorsed upon the bond.

For a long series of years the printed condition under which the sales of the Company's goods have been made have contained the following clause:

"The Company do likewise declare that they will take, in payment for the goods to be bought at this sale as and for money, any of their bonds, whereon at the time of payment or tender of the same there shall be six months interest due."

Under this clause it has from time to time happened, when the bonds have been either at par or at a discount, that they have been brought into the Company's treasury, in payment for goods bought at their sales by the holders of such bonds; when so received, it was the custom (prior to the year 1818) for some of them to be immediately re-issued, by being sent into the market and disposed of by the Company in the same manner as would have been the case if they had been in the hands of any individual, while others of them were frequently retained in the Company's treasury for months, or even for years, according as the circumstances of their treasury required a greater or a less supply of cash, such of them as have been so held by the treasurer from time to time, were held by him prior to 1818, as a sort of deposit, with no intention on the part of the Company of cancelling them, and before the year 1818 (when, under your opinion, the practice was found to be a violation of the stamp laws) the Company re-issued them as their occasions required; but in the periodical statements of the Company's accounts laid before Parliament, in which the amount of the bond debt is stated under the head of "Bonds Outstanding, bearing Interest," the bonds so held by the treasurer have never been returned as part of the then existing bond debt.

Whenever payments have been thus made into the Company's treasury for goods bought at their sales, consisting partly of bonds and partly of cash, it has been the custom of the treasurer to debit himself for the gross amount of all the bonds and all the cash received

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as for so much cash, and then to credit himself per contra for so much of it as consisted of bonds. So long as such bonds have so remained in the treasurer's hands, no entry has been made in the Company's books of the interest accruing upon them, but they have been treated in all respects as a non-existing debt; but when they were re-issued to the Public, under the practice which prevailed prior to 1818, the amount of the interest then due upon them was indorsed upon them as having been paid up to the last half-yearly pay-day preceding, and the treasurer gave credit in his books as for so much interest received on such bonds, and discharged himself as for so much interest paid upon them, the accruing interest subsequent to the last half-yearly pay-day being charged to and paid by the purchaser in the market, in the same manner as if the transaction had been between individuals,

The Company have never availed themselves of the powers given them to raise money upon bond to the full extent to which the Acts of Parliament hereinbefore referred to authorize them to do: the actual amount of their bonds, now in existence is about 3,780,000 £.

At the suggestion of the Board of Commissioners for the Affairs of India, the Court of Directors request your opinion upon the following points :

1st. Whether with reference to the provisions of the Act of 53 Geo. 3, c. 155, it is lawful for the Company to receive their bonds in payment of goods sold, and to cancel such bonds, discharging the amount thereof by so much of the Company's commercial surplus, without the previous consent of the Board of Commissioners ?

2dly. Supposing payment of a bond to be demanded in virtue of the terms of the bond hereinbefore set forth, at a time when there is no commercial surplus, how is the same to be discharged ?

First. I am of opinion that it is lawful for the East India Company to receive their bonds in payment for goods sold, according to the practice which subsisted at and a long time before the passing of the 53d Geo. 3, c. 155, and to cancel such bonds without having obtained the previous consent of the Board of Commissioners; the discharge of the bond by such receipt in payment being a consequence of law.

It does not appear to me that the 53 Geo. 3, c. 155, which directs in what manner the *net proceeds of the Company's sales at home*, with the duties and allowances arising by private trade, and all the commercial profits and other receipts of the Company in Great Britain, should be applied and disposed of, was intended to interfere with the accustomed mode of conducting the Company's sales and receiving payment for the goods then purchased. The object of the clause was to direct how the money resulting from their transactions at home should be appropriated when received. The practice of giving notice by advertisement that bonds would be taken in payment of goods purchased at the Company's sales, had prevailed for a long series of years previous to the 53 Geo. 3. The holders of the Company's bonds were entitled to rely upon this practice, and the discontinuance of it would tend to discredit the bonds. It is therefore very improbable that the Legislature should have intended to interfere with it. The receipt of bonds in this way certainly operates to the extinction of the debt due upon the bonds so received. This is a necessary and legal consequence of the bonds coming into the Company's treasury; and if this or any other method were now resorted to for the first time, for the purpose of getting the bonds out of the market without the sanction of the Commissioners for the Affairs of India, it might be considered as an indirect mode of reducing the bond debt with the proceeds of the Company's sales, without the consent of the Commissioners; but the extinction of the debt by receiving the bonds in payment is incidental only to the transaction of sale, and not the object in view: and I cannot think that the Legislature intended either to prohibit the continuance of the long-established practice of taking bonds in payment, or to require that the consent of the Board should be asked upon every sale before the usual notice was inserted in the advertisement. The appropriation directed by the 57th section applies, as I conceive, to the proceeds actually realized according to the course of the Company's usual mode of dealing; and whatever surplus of those proceeds is found beyond what is necessary to satisfy the three first heads of appropriation, it is to be applied either in the reduction of the existing bond debt or of the Indian debt, as the Court and Board may agree. The exception of the principal of the bond debt in England, contained in the second head of appropriation, does not, in my opinion, import that no bond is ever to be paid off until after the third head has been provided for. The object of that exception was to exempt the Company from an obligation, under the general word "Debts," to provide funds for the payment of the principal of the bond debt before making a dividend, not to prohibit the discharge of any bonds before payment of the dividend; the bond debt is at all times liable to be reduced before payment of the dividend, and without the consent of the Commissioners, whenever the holders of bonds may think fit to give six months notice of demanding payment.

Second. Whenever payment is demanded according to the terms of a bond, by giving six months notice, I am of opinion that the holder is entitled to enforce payment, whether the Company have or have not any commercial surplus, and that any goods, the property of the Company, may be taken in execution to satisfy such bonds.

Lincoln's-Inn, 6 July 1826.

(signed) J. B. Bosanquet.

LETTER from *Thomas Peregrine Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 28th July 1826.

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Sir,

IN reference to your letter of the 14th instant, transmitting a case and opinion of the Company's standing counsel relative to certain points connected with the discharge of the Company's bond debt, I am directed by the Commissioners for the Affairs of India to request that you will move the Court of Directors, in case they concur in the opinion of their counsel, to direct an account of the surplus commercial profits of the Company, such as was called for by my letter of 2d June last, to be prepared in accordance with that opinion, as it respects the home-bond debt discharged, and transmitted for the information of the Board.

I have, &c.
(signed) *Thomas P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas Peregrine Courtenay*, Esq.;
dated East India House, 14th September 1826.

Sir,

IN compliance with the request of the Board of Commissioners for the Affairs of India, as signified in your letter to me of the 28th July last, I transmit, by order of the Court of Directors, an account of the surplus commercial profits of the Company, such as was called for by your letter of the 2d June last, prepared in accordance with the opinion of the Company's standing counsel, as it respects the home-bond debt discharged.

In regard to the appropriation of the surplus profits, the Board will necessarily perceive that 334,399*l.* has been applied in discharge of home-bond debt; of this sum, 100,000*l.* has already been sanctioned by the Board, by your letter of 22d August 1818; the sum of 1,899*l.* has been paid off by reason of the proprietors refusing to accept the reduced rate of interest; and as the Board were regularly informed of the Court's intention to effect a reduction of interest, and expressed their acquiescence in the proposed measure, it is presumed that all bonds paid off at the request of the holders under these circumstances, must be deemed as virtually having been paid off with the sanction of the Board.

The remaining sum, 232,500*l.*, consists of bonds bought up in the years 1814-15 and 1815-16, when at a discount in the money market, and were consequently pouring into the Company's treasury in payment of goods bought at their sales; and although the measure of purchasing bonds, by causing the price of those securities to rise in the market, doubtless checked their being paid in for sales, it yet appears to the Court to be such a voluntary application of the Company's funds to the reduction of bond debt, as to require the approbation of the Board. Their approbation was requested in my letter of 31st January 1818, and was delayed, the bonds not having been cancelled, in consequence of the understanding then entertained that the bonds bought up and received for goods purchased at the sales might be re-issued; but it being now understood that such re-issue is illegal, these bonds have been cancelled. The Court therefore have now to repeat their request for the Board's approbation to apply 232,500*l.* from the Company's surplus profits to the discharge of the said sum of 232,500*l.* bonds, bought up in the years 1814-15 and 1815-16.

I have, &c.
(signed) *J. Dart*, Secretary.

LETTER from *Thomas Peregrine Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated India Board, 3d March 1827.

Sir,

I AM directed by the Commissioners for the Affairs of India to acknowledge the receipt of your letter of 14th September last, transmitting an account of the surplus commercial profits of the Company, prepared in accordance with the opinion of the Company's standing counsel, as it respects the home-bond debt discharged, and requesting the sanction of the Board to the appropriation of a sum of 232,500*l.* of those profits to the discharge of bonds to that amount bought up by the Court in the years 1814-15 and 1815-16, which have now been cancelled.

Under the circumstances stated in the correspondence which has taken place upon the subject, the Board will not object to give the sanction requested.

In respect to the sum of 1,899*l.* paid off in consequence of the proprietors refusing to accept the reduced rate of interest, which amount the Court consider to have been virtually paid off with the sanction of the Board, as they were regularly informed of the Court's intention to effect the reduction and expressed their acquiescence, I am directed to observe, that although the Board are not aware that such communications have passed, they have no objection now to approve of the appropriation of the requisite sum from the surplus profits of the Company for that purpose.

I have, &c.
(signed) *Thomas P. Courtenay*.

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LETTER from *Joseph Dart, Esq.* to *Thomas Peregrine Courtenay, Esq.* ;
dated East India House, 5th October 1826.

Sir,

I HAVE received the commands of the Court of Directors of the East India Company to acquaint you, for the information of the Right honourable the Board of Commissioners for the Affairs of India, that bills of exchange, amounting to 81,197 *l.* 13 *s.* 3 *d.* are advised as having been drawn on the Court in liquidation of India debt.

The Court, therefore, request the sanction of the Board to the appropriation of a part of the surplus home profits of the Company in payment of the said bills, agreeably to the Act of the 53 Geo. 3, c. 155, s. 57.

I have, &c.
(signed) *J. Dart, Secretary.*

LETTER from *Thomas P. Courtenay, Esq.* to *Joseph Dart, Esq.* ; dated India Board,
11th October 1826.

Sir,

IN reference to your letter of the 5th instant, I am directed by the Commissioners for the Affairs of India to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of the bills of exchange drawn from Bengal, therein mentioned.

I have, &c.
(signed) *Thomas P. Courtenay.*

LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.* ; dated East India House,
26th October 1826.

Sir,

IN reference to my communication of the 5th instant upon the subject of bills of exchange advised and drawn from Fort William, on account of principal of septennial loan obligations, I have received the commands of the Court of Directors of the East India Company to acquaint you that two bills, Nos. 1 & 2, have also been advised and drawn for 3,825 *l.* in satisfaction of the principal of two promissory notes of the septennial loans.

The Court, therefore, request the sanction of the Board of Commissioners for the Affairs of India to the appropriation of a portion of the surplus home profits of the Company in payment of the said bills.

I have, &c.
(signed) *J. Dart, Secretary.*

LETTER from *Thomas P. Courtenay, Esq.* to *Joseph Dart, Esq.* ; dated India Board,
7th November 1826.

Sir,

IN reference to your letter of the 26th ultimo, I am directed by the Commissioners for the Affairs of India to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of the bills of exchange drawn from Bengal, therein mentioned, amounting to 3,825 *l.*

I have, &c.
(signed) *Thomas P. Courtenay.*

LETTER from *Joseph Dart Esq.* to *Thomas P. Courtenay, Esq.* ; dated East India House,
18th November 1826.

Sir,

IN reference to my letters of the 5th and 26th ultimo, I am commanded by the Court of Directors of the East India Company to acquaint you that a bill of exchange, No. 48, for (505 *l.*) five hundred and five pounds, has been advised and drawn from Fort William, in satisfaction of one-fifth instalment of the principal of septennial loan obligations, at eighteen months after date; and that a bill has also been drawn from Fort William, No. 1, for (125 *l.*) one hundred and twenty-five pounds, in satisfaction of promissory notes, granted on account of the principal of eight per cent. loans, at 12 months after sight; and I am to request that you will submit these circumstances to the Board of Commissioners for the Affairs of India, with the Court's request that they will be pleased to sanction the appropriation of a portion of the surplus home profits of the Company to the payment of the said bills.

I have, &c.
(signed) *J. Dart, Secretary.*

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.; dated India Board,
20th November 1826.

Appendix, No. 19.

Appropriation of
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Sir,

IN reference to your letter of the 18th instant, I am directed by the Commissioners for the Affairs of India, to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company, to the payment of the bills of exchange drawn from Bengal, therein mentioned, amounting to 630 *l*.

I have, &c.

(signed) *Thomas P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.; dated East India House,
24th March 1827.

Sir,

I AM commanded by the Court of Directors of the East India Company to state to you, for the information of the Board of Commissioners for the Affairs of India, that a bill of exchange for the further sum of 350 *l*. has been advised and drawn from Fort William, in satisfaction of one-fifth instalment of the principal of septennial loan obligations, at 18 months after date; and I am to signify the Court's request that the Board will be pleased to sanction the appropriation of a portion of the surplus home profits in payment of the said bill.

I have, &c.

(signed) *J. Dart*, Secretary.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.; dated India Board,
28th March 1827.

Sir,

IN reference to your letter of the 24th instant, I am directed by the Commissioners for the Affairs of India to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of a bill of exchange drawn from Bengal, therein mentioned, amounting to 350 *l*.

I have, &c.

(signed) *Thomas P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *Thomas P. Courtenay*, Esq.; dated East India House,
8th June 1827.

Sir,

I AM commanded by the Court of Directors of the East India Company to acquaint you that a further bill of exchange, No. 1, for (50 *l*.) fifty pounds has been advised and drawn from Fort William, in satisfaction of the first and second instalments of one-fifth of the principal of septennial loan obligations, payable at 18 months after date; and to request that you will obtain the sanction of the Board of Commissioners for the Affairs of India for the appropriation of a portion of the surplus home profits in payment thereof.

I have, &c.

(signed) *J. Dart*, Secretary.

LETTER from *Thomas P. Courtenay*, Esq. to *Joseph Dart*, Esq.; dated India Board,
9th June 1827.

Sir,

IN reference to your letter of the 8th instant, I am directed by the Commissioners for the Affairs of India to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of a bill of exchange drawn from Bengal, therein mentioned, amounting to 50 *l*.

I have, &c.

(signed) *Thomas P. Courtenay*.

LETTER from *Peter Auber*, Esq. to *T. P. Courtenay*, Esq.; dated East India House,
10th August 1827.

Sir,

I AM commanded by the Court of Directors of the East India Company, to acquaint you, for the information of the Right honourable the Board of Commissioners for the Affairs of India, that bills of exchange (numbered 2 to 44) have been advised and drawn for the further sum of (63,227 *l*. 10 *s*.) sixty-three thousand two hundred and twenty-seven pounds

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ten shillings, in satisfaction of the first and second instalments of one-fifth of the principal of septennial loan obligations, at 18 months after date; and the Court direct me to request that the Board will be pleased to sanction the appropriation of a portion of the surplus home profits in payment thereof.

I have, &c.
(signed) *Peter Auber*, Assistant Secretary.

LETTER from *T. P. Courtenay*, Esq. to *J. Dart*, Esq.; dated India Board,
13th August 1827.

Sir,

IN reference to Mr. Auber's letter of the 10th instant, I am directed by the Commissioners for the Affairs of India, to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of the bills of exchange drawn from Bengal, therein mentioned, amounting to 63,227 *l.* 10 *s.*

I have, &c.
(signed) *T. P. Courtenay*.

LETTER from *J. Dart*, Esq. to *T. P. Courtenay*, Esq.; dated East India House,
21st September 1827.

Sir,

I AM commanded by the Court of Directors of the East India Company to acquaint you, for the information of the Right honourable the Board of Commissioners for the Affairs of India, that bills, numbered 45 to 54, amounting to 18,837 *l.* 16 *s.* 7 *d.*, have been advised and drawn in satisfaction of the first and second instalments of one-fifth of the principal of septennial loan obligations, at 18 months after date; and I am to request that you will move the Board to sanction the appropriation of a portion of the surplus home profits in payment thereof.

I have, &c.
(signed) *J. Dart*, Secretary.

LETTER from *T. P. Courtenay*, Esq. to *J. Dart*, Esq.; dated India Board,
26th September 1827.

Sir,

IN reference to your letter of the 21st instant, I am directed by the Commissioners for the Affairs of India to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of the bills of exchange drawn from Bengal, therein mentioned, amounting to 18,837 *l.* 16 *s.* 7 *d.*

I have, &c.
(signed) *T. P. Courtenay*.

LETTER from *Joseph Dart*, Esq. to *George Bankes*, Esq.; dated East India House,
23d August 1828.

Sir,

I AM commanded by the Court of Directors of the East India Company to acquaint you, that bills of exchange, amounting to 61,034 *l.* 3 *s.* 4 *d.*, are advised to have been drawn on the Court from Fort William, in satisfaction of the third instalment of one-fifth of the principal of septennial loan obligations, at 18 months after date; and I am directed to signify the request of the Court, with reference to the 57th section of the Act 53 Geo. 3, c. 155, that the Board of Commissioners for the Affairs of India will be pleased to sanction the appropriation of a portion of the surplus home profits to the payment of these bills.

I have, &c.
(signed) *J. Dart*, Secretary.

LETTER from *George Bankes*, Esq. to *Joseph Dart*, Esq.; dated India Board,
16th September 1828.

Sir,

IN reference to your letter of the 23d ult. I am directed by the Commissioners for the Affairs of India to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of the bills of exchange drawn from Bengal, therein mentioned, amounting to 61,034 *l.* 3 *s.* 4 *d.*

I have, &c.
(signed) *Geo. Bankes*.

LETTER from *Joseph Dart*, Esq. to *Geo. Bankes*, Esq.; dated East India House,
14th November 1828.

Appendix, No. 19.

Sir,

I AM commanded by the Court of Directors of the East India Company to acquaint you, for the information of the Board of Commissioners for the Affairs of India, that bills of exchange have been drawn from India to the amount of 14,743 *l.* 19 *s.* 9 *d.* in discharge of the third instalment of the principal of septennial loan obligations, payable 18 months after date.

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Adverting to the present amount of the unappropriated commercial profits of the Company, (viz. 1,898,448 *l.*) the Court propose that the bills above mentioned shall be paid from that source, and they accordingly request the Board's sanction for that purpose, as on former occasions, agreeable to the 57th section of the Act 53 Geo. 3.

I have, &c.
(signed) *J. Dart*, Secretary.

LETTER from *Geo. Bankes*, Esq. to *Joseph Dart*, Esq.; dated India Board,
25th November 1828.

Sir,

IN reference to your letter of the 14th instant, I am directed by the Commissioners for the Affairs of India to convey to you the sanction of the Board to the appropriation of a portion of the surplus home profits of the East India Company to the payment of the bills of exchange drawn from Bengal, therein mentioned, amounting to 14,743 *l.* 19 *s.* 9 *d.*

I have, &c.
(signed) *Geo. Bankes*.

LETTER from *Thomas Hyde Villiers*, Esq. to *Peter Auber*, Esq.; dated India Board,
13th June 1831.

Sir,

I AM directed by the Commissioners for the Affairs of India to request that you will move the Court of Directors to furnish the Board, at their earliest convenience, with a continuation, up to the latest period to which the same can be made up, of the account of the surplus commercial profits of the Company, &c. transmitted with your letter of 8th July 1830.

I have, &c.
(signed) *T. H. Villiers*.

LETTER from *Peter Auber*, Esq. to *Thomas Hyde Villiers*, Esq.; dated East India House,
1st December 1831.

Sir,

I AM commanded by the Court of Directors to transmit, for the information of the Commissioners for the Affairs of India, the accompanying Account of surplus Commercial Profits of the East India Company, &c., agreeably to the request contained in your letter of the 13th June last.

I have, &c.
(signed) *Peter Auber*, Secretary.

APPENDIX to CORRESPONDENCE, &c. relating to the APPROPRIATION of the SURPLUS
COMMERCIAL PROFITS of the EAST INDIA COMPANY.

(Appendix 1, in No. 19.)

AN ACCOUNT of the PROFIT or LOSS on all GOODS sold in *England* by the EAST INDIA COMPANY in the Year 1814-15, distinguishing *India* and *China*; together with all other Commercial Profits accrued in *England* in the same period; also showing the SURPLUS remaining after providing for Payment of the Dividends on the Capital Stock, and the Interest on the Home-bond Debt.

	Prime Cost of Investment.	Customs.	Freight.	Charges of Merchandize calculated at 5 per cent. on Sale Amount of Goods.	Total Cost and Charges.	Amount of Sale of Goods.	Profit on the Trade.
	£.	£.	£.	£.	£.	£.	£.
India - - -	1,186,693	53,680	304,565	110,170	1,655,108	2,203,398	548,290
China - - -	2,082,171	5,528	915,050	241,139	3,243,888	4,822,792	1,578,904
TOTAL - -	3,268,864	59,208	1,219,615	351,309	4,898,996	7,026,190	2,127,194

India Profit, brought down -	£. 548,290	China Profit, brought down - -	£. 1,578,904
Deduct 4 per cent. charged as an insurance on the prime cost of the investment, to cover losses at sea - - - - -	47,467	Deduct difference in the rate at which bills of exchange, drawn on the Company from China, were paid in England, and the rate of the Tale assumed in the above calculation - - -	13,260
£. 500,823		£. 1,565,644	
Deduct also losses on saltpetre delivered to the Board of Ordnance	1,296	Deduct also 4 per cent. charged as an insurance on the prime cost of the investment, to cover losses at sea - - - - -	83,286
499,527		£. 1,482,358	

India Profit as above on Sales - - - - -	£. 499,527
China - - ditto - - - - -	1,482,358
Deduct surplus Commercial Charges on Merchandize beyond 5 per cent. charged upon the Sales - - - - -	1,981,885
	108,487
Other Commercial Receipts and Profits:	1,873,398
Interest on the annuities - - - - -	£. 32,604
Charges on private trade - - - - -	220,668
	253,272
Deduct Payments to be made thereout:	2,126,670
Dividends on stock - - - - -	630,000
Interest on bonds - - - - -	259,545
	889,545
SURPLUS remaining - - - £.	1,237,125

(Errors excepted.)

East India House, }
23 January 1818. }

(signed)

Charles Cartwright,
Acc^t Gen^l.

(Appendix 2, in No. 19.)

AN ACCOUNT of the PROFIT or LOSS on all GOODS sold in *England* by the EAST INDIA COMPANY in the Year 1815-16, distinguishing *India* and *China*; together with all other Commercial Profits accrued in *England* in the same period; also showing the SURPLUS remaining after providing for Payment of the Dividends on the Capital Stock, and the Interest on the Home-bond Debt.

	Prime Cost of Investment.	Customs.	Freight.	Charges of Merchandize calculated at 5 per cent. on Sale Amount of Goods.	Total Cost and Charges.	Amount of Sale of Goods.	Profit on the Trade.
	£.	£.	£.	£.	£.	£.	£.
India - - -	1,039,236	52,588	331,436	89,820	1,513,080	1,796,371	283,291
China - - -	1,808,356	1,905	776,420	189,699	2,776,380	3,793,992	1,017,612
TOTAL - - £.	2,847,592	54,493	1,107,856	279,519	4,289,460	5,590,363	1,300,903

India Profit, brought down - -	£. 283,291	China Profit, brought down - -	£. 1,017,612
Deduct loss on goods re-sold -	7,937	Deduct difference in the rate at which bills of exchange, drawn on the Company from China, were paid, and the rate assumed in the calculation of profit and loss - - -	£. 35,999
	275,354	China Embassy -	51,904
Add profit on saltpetre delivered to the Board of Ordnance -	11,752		87,903
	£. 287,106		£. 929,709
Deduct 4 per cent. on the prime cost of the investment, charged as an insurance to cover losses at sea - - - -	41,569	Deduct also 4 per cent. on prime cost of the investment, charged as an assurance to cover losses at sea - - - -	72,334
	£. 245,537		£. 857,375

India Profit, as above, on Sales - - - -	£. 245,537
China - - ditto - - - -	857,375
	1,102,912
Deduct surplus Commercial Charges on Merchandize beyond the rate of 5 per cent. charged above on Sales - - -	86,424
	1,016,488
Other Commercial Receipts and Profits:	
Interest on the annuities - - - -	£. 32,604
Charges on private trade - - - -	206,938
Interest and discounts on anticipated payments - -	99,098
Interest on balance due from the Territorial Branch at the close of 1814-15, not invested for consignment to England conformably to the provisions of the Act 53 Geo. 3 -	42,693
	381,333
Deduct Payments to be made thereout:	1,397,821
Dividends on stock - - - -	630,000
Interest on bonds - - - -	235,967
	865,967
SURPLUS remaining - - - £.	531,854

(Errors excepted.)

(signed) Charles Cartwright,
Acc^t Gen^l.East India House, }
23 January 1818. }

(Appendix 3, in No. 19.)

AN ACCOUNT of the PROFIT or LOSS on all GOODS sold in *England* by the EAST INDIA COMPANY in the Year 1816-17, distinguishing *India* and *China*; together with all other Commercial Profits accrued in *England* in the same period; also showing the SURPLUS remaining after providing for Payment of the Dividends on the Capital Stock and the Interest on the Home-bond Debt.

	Prime Cost of Investment.	Customs.	Freight.	Charges of Merchandize, calculated at 5 per cent. on Sale Amount of Goods.	Total Cost and Charges.	Amount of Sale of Goods.	Profit on the Trade.
	£.	£.	£.	£.	£.	£.	£.
India - - -	1,212,808	58,617	341,698	90,824	1,703,947	1,816,465	112,518
China - - -	1,618,628	6,772	628,344	169,770	2,423,514	3,395,422	971,908
TOTAL - - £.	2,831,436	65,389	970,042	260,594	4,127,461	5,211,887	1,084,426

India Profit, brought down - -	£. 112,518	China Profit, brought down - -	£. 971,908
Deduct, loss on re-sold goods -	3,990	Deduct, difference in the amount paid for discharge of bills drawn on the Court from China, beyond the rate of the Tale assumed in the above calculation £. 40,466	
	108,528	Paid on account of the China Embassy - -	2,255
Deduct also loss on saltpetre delivered to the Board of Ordnance	1,250		42,721
	107,278	Deduct further, 4 per cent. charged on the prime cost of the investment, as an insurance to cover losses at sea - - -	929,187
	48,512		64,745
£. 58,766		£. 864,442	

India Profit, as above, on Sales - - - - -	£. 58,766
China - - ditto - - - - -	864,442
	923,208
Deduct surplus Commercial Charges on Merchandize beyond the rate of 5 per cent. charged above on Sales - - -	189,901
	733,307
Other Commercial Receipts and Profits :	£.
Interest on the annuities - - - - -	36,226
Charges on private trade - - - - -	210,218
Interest and discounts on anticipated payments - - -	44,295
Interest on balance due from the Territorial Branch at the close of 1815-16, not invested for consignment to England conformably to the provisions of the Act 53 Geo. 3.	46,543
	337,282
Deduct Payments to be made thereout :	1,070,589
Dividends on stock - - - - -	630,000
Interest on bonds - - - - -	230,536
	860,536
SURPLUS remaining - - - £.	210,053

(Errors excepted.)

East India House, }
23 January 1818. }

(signed) Charles Cartwright,
Acc^t Gen^l.

(Appendix 4, in No. 19.)

Appendix, No. 19.

Appropriation of
the Surplus Profits
of the East India
Company.

AMOUNT appropriated of SURPLUS PROFITS accrued in *England*, from 1st May 1814 to 30th April 1817, distinguishing each Year; showing also the Sum remaining to be appropriated.

	Indian Debt.	Home-Bond Debt.	TOTAL.
	£.	£.	£.
1814-15 - - - - -	387,049	209,500	596,549
1815 16 - - - - -	326,545	413,000	739,545
1816-17 - - - - -	4,654	5,800	10,454
£.	718,248	628,300	1,346,548

PROFIT ON SALES.

	£.	£.
1814-15 - - - - -	1,237,125	
1815-16 - - - - -	531,854	
1816-17 - - - - -	210,053	
	1,979,032	
Appropriated as above - - - - -	1,346,548	
Sum remaining to be appropriated - - - - -		632,484

(Errors excepted.)

East India House, }
23 January 1818. }

(signed)

Charles Cartwright,
Acc^t Gen^l.

(Appendix 5 (1), in No. 19.) - - - - -

Dr. TERRITORIAL BRANCH in Account with the COMMERCIAL, in respect to Bills of Exchange

		£.	s.	d.
1815: 30 April	TO Amount of Payments actually made on this account in 1814-15 -	834,323	4	8
	To Balance, being the excess of Territorial Remittances realized in the current year, above the amount of bills for interest of Indian Debts, discharged in the same period, transferred to the credit of the Account with the Territorial Branch, No. 2 - - - - -	95,098	9	-
		£. 929,421 13 8		
1816: 30 April	To Amount of Payments actually made on this account in 1815-16, including 12,275 <i>l.</i> 14 <i>s.</i> for interest, included in bills drawn on the Court for Java Prize Property - - - - -	392,919	14	7
	To Balance transferred to credit of Account, No. 2, with the Territorial Branch, as before - - - - -	35,047	18	3
		£. 427,967 12 10		
1817: 30 April	To Amount of Payments actually made on this account in 1816-17 -	269,760	9	1
	To Balance transferred to credit of Account, No. 2, with the Territorial Branch, as before - - - - -	447,865	3	6
		£. 717,625 12 7		

(Appendix 5 (1), in No. 19.)

drawn from *India* on Account Interest of India Debts, 1st May 1814 to 30th April 1817.

Cr.

1815: 30 April	BY Amount of Remittances realized in 1814-15, to meet the Payments made per contra, viz.:	£. s. d.
	Received for bills drawn in the Company's favour in various departments of Government, and on individuals, for supplies furnished from the Territorial Funds in India - - - - -	£. s. d. 142,755 17 2
	For bills drawn by the Court on India - - - - -	7,891 5 10
	Of Government, on further account of the Company's claims on the Public, including Pay-office demands, &c. passed to their credit - - - - -	542,534 11 10
	Net produce of bullion remitted from Fort St. George - - - - -	324,015 - 10
		£. 1,017,196 15 8
	Deduct, paid sundry bills drawn on account remittance of property of deceased officers, &c. - 13,135 17 8	
	Disbursements in England and China on account of the Public, included in payments from Government - - - - -	74,639 4 4
		87,775 2 -
		929,421 13 8
1816: 30 April	By Amount of Remittances realized in 1815-16, to meet the Payments made per contra:	
	Received, for bills drawn in the Company's favour, as before - - - - -	157,351 13 11
	Of Government, Pay-office demands passed to their credit in account - - - - -	331,687 - -
	Sale of spices from the Moluccas 115,400 - - -	
		447,087 - -
		£. 604,438 13 11
	Deduct, paid sundry bills drawn on account remittance of property of deceased officers, &c. - 14,075 2 4	
	Disbursements in England, as before, on account Government - 162,395 18 9	
		176,471 1 1
		427,967 12 10
1817: 30 April	By Amount of Remittances realized in 1816-17, to meet the Payments made per contra:	
	Receipt from Government in cash - - - - -	387,145 6 9
	Ditto - by Pay-office demands passed to their credit - - - - -	249,118 - -
	Ditto - by sale of spices from the Moluccas - ditto - - - - -	30,197 - -
		£. 666,460 6 9
	For bills drawn in the Company's favour, as before - - - - -	124,001 6 -
		£. 790,461 12 9
	Deduct, paid sundry bills drawn on account remittance of deceased officer's property - - - - -	4,259 12 10
	Disbursements in England as before, on account Government - 68,576 7 4	
		72,836 - 2
		717,625 12 7

(Appendix 5 (2), in No. 19.) - - - - -

TERRITORIAL BRANCH in Account with the COMMERCIAL, in respect to Payments of a Political
which the Commercial Branch has a Claim to be repaid
Dr.

1815: 30 April	TO Amount of Territorial Advances and Charges in England, &c. in the year 1814-15:	£.	s.	d.	£.	s.	d.
	Pay to military and marine officers on furlough and retirement - - - - -	147,609	9	7			
	Interest, sinking fund and charges on loan 2,500,000 <i>l.</i> from the Public in 1812 - - - - -	244,044	2	2			
	Political freight and demorage, exclusive of amount charged on political exports - - - - -	51,081	9	4			
	Passage of military, and sundries for their use on the voyage - - - - -	79,101	4	7			
	Charges on account of St. Helena, including supplies furnished from China and the Cape - - - - -	148,679	1	11			
	Charges on account of Prince of Wales Island - - - - -	21,704	2	7			
	- - Ditto - - - Bencoolen - - - - -	8,502	5	4			
	Political charges general, including interest paid on India debt bills postponed - - - - -	256,512	9	2			
	Demands of Pay-office-general, on account of King's troops serving in India - - - - -	284,790	-	-			
	Expense survey of the China seas, &c. paid at Canton - - - - -	15,712	9	-			
	Military, marine and other territorial stores exported from 1st May 1814 to 30th April 1815 - - - - -	405,237	11	2			
	- - Ditto - - cast-iron bridge, &c. for Nabob of Oude - - - - -	5,744	2	9			
	Payments on account of the Carnatic Fund - - - - -	180,930	7	2			
	- - - Ditto - - off-reckoning funds - - - - -	135,692	2	7			
	- - - Ditto - - several public institutions, and to individuals, repayable in India - - - - -	30,392	3	4			
	Sundry advances on loan, &c. repayable in England	14,293	12	-			
					£.	2,030,026	12 8
1815: 1 May	To Balance brought forward - - - - -	-	-	-		711,560	7 9
1816: 30 April	To one year's interest at 6 per cent. per annum, on above balance - - - - -	-	-	-		42,693	- -
	To Amount of Territorial Advances and Charges, in England, &c. in the year 1815-16:						
	Pay to military and marine officers, &c. - - - - -	150,691	-	-			
	Interest, sinking fund, &c. - - - - -	243,988	-	-			
	Political freight and demorage, exclusive of amount charged on political exports - - - - -	145,080	-	-			
	Passage of military, and supplies to them on the voyage - - - - -	58,976	-	-			
	Charges, St. Helena, including supplies furnished from China and the Cape - - - - -	180,344	-	-			
	Charges on account of Prince of Wales Island - - - - -	-	-	-			
	- - - Ditto - - Bencoolen - - - - -	8,060	-	-			
	Political charges general, including interest paid on Indian debt bills postponed - - - - -	267,164	-	-			
	Demands of the Pay-office - - - - -	331,687	-	-			
	Expense survey of the China seas, &c. paid at Canton	9,284	-	-			
	Military, marine and other territorial stores exported from 1st May 1815 to 30th April 1816 - - - - -	341,817	-	-			
	Cast-iron bridge, &c. for the Nabob of Oude, in- cluding freight - - - - -	17,545	-	-			
	Payments on account of the Carnatic Fund - - - - -	137,408	-	-			
	- - - Ditto - - off-reckoning funds - - - - -	54,451	-	-			
	- - - Ditto - - several public institutions, &c. as before - - - - -	34,174	-	-			
						1,980,669	- -
					£.	2,734,922	7 9

- - - - - (Appendix 5 (2), in No. 19.)

Nature, made from the Commercial Funds in *England, China* and the *Cape*, for the Amount of
by Advances for Investment in *India* or *China*.

Ct.

1815: 30 April	BY Balance transferred from Account, No. 1, being the excess of Territorial Remittances in 1814-15 above amount of payments for bills drawn for interest on Indian debt - - - - -	£. s. d. 95,098 9 -
		£. s. d.
	By net advances to Commercial Department, Bengal -	868,896 3 8
	- - - Ditto - - - ditto - - - Madras -	253,067 - 8
	- - - Ditto - - - ditto - - - Bombay	66,125 11 7
	Invoice amount of cargoes shipped from Bencoolen for England, exclusive of any charge for the expenses of the settlement, the point being at present under reference to the Board of Commissioners for the Affairs of India, as to the proportion in which the said expenses are to be borne by the Territorial and Commercial Branches of the Company's affairs - - - - -	35,279 - -
		1,223,367 15 11
	By Balance due to Commercial Branch under this head - - - - -	1,318,466 4 11
		711,560 7 9
		£. 2,030,026 12 8
1816: 30 April	By Balance transferred from Account, No. 1, being the excess of Territorial Remittances in 1815-16 above amount of payments for interest bills - - -	35,047 18 3
	By amount net advances to the Commercial Department in the current year, Bengal - - - - -	1,196,996 - -
	- - - - - Ditto - - - - - Madras - - - - -	394,823 - -
	- - - - - Ditto - - - - - Bombay - - - - -	249,903 - -
	Marine stores debited to the Territorial Account, per contra, given credit for in Commercial Department at Bengal - - - - £. 19,465	
	Stationery - - ditto - - at Fort St. George 7,636	
		27,101 - -
	By invoice amount of cargoes from Bencoolen, as before, and amount advanced there to owners of Europe ships - - - - -	55,330 - -
		1,924,153 - -
		1,959,200 18 3
	By Balance due to Commercial Branch under this head - - - - -	775,721 9 6
		£. 2,734,922 7 9

(continued)

Appendix 5 (2.)—Territorial Branch in Account with the Commercial, &c.—*continued.*

Dr.

		£.	s.	d.
1816: 1 May	TO Balance brought forward - - - - -	775,721	9	6
1817: 30 April	To one year's interest, at 6 per cent. per annum, on above balance -	46,543	-	-
	To Amount of Territorial Advances and Charges in England, &c. in the Year 1816-17:			
	Invoice amount of military, marine and other territorial stores exported, 1st May 1816 to 30th April 1817 - - - - -	585,530	-	-
	Officers' pay - - - - -	208,226	-	-
	Carnatic debts - - - - -	194,089	-	-
	Interest, sinking fund, &c. on loan - - - - -	243,922	-	-
	St. Helena, (exclusive of exports) - - - - -	54,854	-	-
	Bencoolen bills, &c. - - - - -	434	-	-
	Political charges general - - - - -	289,454	-	-
	Political freight and demorage, exclusive of amount charged on exports - - - - -	59,945	-	-
	Passage military - - - - -	51,814	-	-
	Pay-office demands and recruiting charges (estimated)	249,118	-	-
	Consignments to St. Helena from India and China -	13,113	-	-
	Survey of the China seas, paid at Canton - -	21,135	-	-
	Territorial advances at the Cape, R.Ds. 232,870, at 1 s. 10 $\frac{64}{100}$ d. - - - - -	21,967	-	-
		1,993,601	-	-
		£.	2,815,865	9 6

East India House,
5th August 1818.

Cr.

		£.	s.	d.
1817: 30 April	BY Balance transferred from Account, No. 1, being the excess of Territorial Remittances in 1816-17, above amount of payments for Interest bills - - - - -	447,865	3	6
	By Balance due to Commercial Branch under this head - - -	*2,368,000	6	-
		£.	2,815,865	9 6

* *Mem.*—This Balance is subject to reduction by the amount of the Advances in India from the Territorial Branch to the Commercial Branch, in the Indian official year 1816-17.

(Errors excepted.)

Chas. Cartwright,
Accot^t Gen^l.

Appendix, No. 19.

(Appendix 6, in No. 19.)

Appropriation of
the Surplus Profits
of the East India
Company.SPECIFICATION of the SUMS applied by the Court of Directors in *England* to the Dis-
charge of Principal of INDIA DEBT, from 1st May 1814 to 30th April 1817; showing
the Description of the Notes and Obligations thus paid off.

1814-15.		£.	s.	d.
PAID Bills of Exchange, drawn on the Court of Directors :				
From BENGAL :				
	£.	s.	d.	
On account Six per cent. loan obligations, dated				
30th June 1811 - - - -	118,830	-	-	
- Eight per cent. promissory notes, various				
dates - - - - -	6,747	10	-	
- Decennial loan obligations of 1st January				
1803 - - - - -	1,000	-	-	
- Treasury notes, issued under Resolution				
of Governor-general in Council, of				
15th July 1813 - - - -	57,646	4	5	
				184,223 14 5
From MADRAS :				
On account Eight per cent. promissory notes - -	9,751	13	10	
- Second eight per cent. loan ditto - -	2,425	-	-	
- Third eight per cent. ditto - -	425	-	-	
- Principal of second 10 per cent ditto, of				
1805-6 - - - - -	1,487	9	11	
				14,089 3 9
From BOMBAY :				
On account eight per cent. promissory notes - - - -				22,787 10 -
	£.			
Payment made in advance, on account of promissory notes issued				221,100 8 2
by the Bengal Government to the Prize Agents for the Captors of				
Java, bearing interest at Calcutta - - - - -				166,250 - -
	£.			
				387,350 8 2
1815-16.		£.	s.	d.
Paid Bills of Exchange drawn on the Court :				
From BENGAL :				
On account six per cent. loan obligations, dated 30th June 1811 -				238,998 6 8
Balance of bills drawn from Bengal, on account the promissory notes				
issued to the Prize Agents for the Captors of Java, after deducting				
the advance made on this account in the preceding year; as also				
the amount included in the bills for interest - - - - -				87,546 6 10
	£.			
				326,544 13 6
1816-17.		£.	s.	d.
Paid Bills of Exchange drawn on the Court :				
From BENGAL :				
On account Treasury notes, issued under Resolution of Governor-				
General in Council of 15th July 1813 - - - - -				3,934 3 7
From MADRAS :				
On account second 10 per cent. loan promissory notes, of 1805-6 -				476 17 6
	£.			
				4,411 1 1

Memorandum.—The above totals differ from the sums inserted in the Annual Accounts of Receipts and Payments under the like heads, in consequence of some of the bills from India having been drawn including both principal and interest. The payments have been correctly adjusted to their several heads, from materials received since the periods of making up the respective Annual Accounts.

East India House, }
5 August 1818. }

(Errors excepted.)

(signed)

C. Cartwright,
Acc^t Gen^l.

(Appendix 7, in No. 19.)

Appendix, No. 19.

SPECIFICATION of the SUMS appropriated in the Years 1814-15, 1815-16 and 1816-17, to the Reduction of the HOME-BOND DEBT.

Appropriation of
the Surplus Profits
of the East India
Company.

	Bonds Paid in on Sales	Bonds Paid off.	Bonds. Bought up.	TOTAL.
	£.	£.	£.	£.
1814-15 - - - -	13,300	100,000	96,200	209,500
1815-16 - - - -	276,700	- - -	136,300	413,000
1816-17 - - - -	5,800	- - -	- - -	5,800
	295,800	100,000	232,500	628,300

The Bonds paid in on Sales and bought up, as expressed in the above Statement, have not been cancelled, but are held to be re-issuable.

The Bonds stated to be paid off, *have been cancelled.*

(Errors excepted.)

East India House, }
5 August 1818. }

(signed) Charles Cartwright,
Acct Genl.

(Appendix 8, in No. 19.)

A SPECIFICATION of the Particulars of the Payments on account of CHARGES of MERCHANDIZE, from 1st May 1814 to 1st May 1815.

	£.	s.	d.
Tradesmen's bills for expenses of the East India House, repairs, taxes, coals, candles, &c. (one half) - - - -	17,360	16	6
Law charges, incurred in respect to commercial matters - - -	1,917	2	2
Commercial annuities and pensions - - - -	10,142	11	-
Directors' gratuities (one half) - - - -	4,341	15	7
Proportion of salaries and allowances to officers of the house and warehouses, chargeable to the Commercial Branch, according to the principle established for each office in the plan of accounts approved by the Board of Commissioners - - -	60,922	18	8½
Subscriptions to charities, and on public occasions (one half) - -	431	-	-
Extra clerks (one third) - - - -	6,110	6	3
East India College, chargeable to the Commercial Branch in the proportion that the number of servants abroad employed in that branch bears to the whole number of servants in the India and China establishments - - - -	1,279	-	-
Expresses and ships' packets - - - -	724	11	5
Outfit of Company's sloops - - - -	4,073	15	3
Books, maps, prints, charts, &c. (one half) - - -	996	7	1
Advances on account of Organzine silk and other goods - - -	15,879	4	11
Building and repairs of Company's hoys - - -	3,527	10	8
Royal East India Volunteer regiments (one half) - - -	5,819	3	2
Supercargoes commission - - - -	84,113	15	3
Fees to King's officers, and expense of entries at Custom-house -	3,059	13	5
Tradesmen's bills for the warehouses - - - -	43,928	3	7
Rents, wharfage, &c. landing goods - - - -	6,499	12	8
Examining surgeons and surgeons' mates (one half) - - -	105	-	-
Stamps, including stamps for transfers - - - -	465	11	2
Convoying Company's ships - - - -	3,045	-	-
Labourers' wages - - - -	170,415	9	9
Cartage - - - -	10,408	18	11½
Taxes for the warehouses - - - -	11,531	6	10
Pensions paid to labourers by warehouse-keepers - - -	4,782	9	-
Hoyage and lighterage - - - -	5,294	12	2
Carried forward - - - £.	477,175	15	6

Appendix, No. 19.

Appropriation of
the Surplus Profits
of the East India
Company.

	£.	s.	d.
Brought forward - - -	477,175	15	6
Inspectors, surveyors of shipping, &c. &c. - - -	10,404	1	-
Sundry miscellaneous disbursements of officers of the house and warehouse-keepers, of a commercial nature - - -	2,949	4	3
Making up deficiencies of Labourer's Fund - - -	2,648	15	11 ½
Journies of Directors, visiting ships, &c. - - -	414	10	6
Gratuities to sundry persons for present relief - - -	77	19	9
Gratuities to sundry persons for commercial services, sums not exceeding 600 l. each - - -	1,029	5	6
Gratuities to officers and seamen of Company's ships, for their conduct when attacked by an enemy - - -	301	19	6
Stationery, for home consumption (one half) - - -	3,741	15	10
Building and repairs to caravans - - -	2,378	11	5
Interest on loans - - -	26,807	12	6
Printing tea-brokers' books - - -	1,300	-	-
Disbursements agents at out-ports - - -	1,248	17	3
Protection to seamen - - -	30	13	6
East India Dock Company - - -	8,380	6	5
Purchase of dollars to replace those stolen from Captain Hughes, of the Bridgewater - - -	256	17	2
London Dock Company - - -	1,173	8	3
Passage to India and China of commercial servants - - -	205	-	-
Expenses on account of shipment of bullion - - -	24	16	6
	540,549	10	9 ½

RECEIPTS:

	£.	s.	d.
Old goods sold - - -	4,066	13	7
Warehouse rent - - -	55,287	2	3 ½
Interest 3 per cent. Bank reduced annuities - - -	207	4	8
Porcher & Co., for twine supplied to the Lowjee family - - -	78	6	8
Discount on bonds bought up, deducting commission - - -	10	-	-
Greenwich Hospital - - -	9	19	9
Impress received from sureties of run-men - - -	750	13	1
Charges on goods not brought to sale - - -	717	3	9
Charges on the baggage of passengers - - -	1,592	10	-
Buildings - - -	2,054	5	5
Balances in hands of warehouse-keepers and officers of the house, less on the 1st March 1815 than on 1st March 1814 - - -	10,838	1	11 ½
Warehouse rent, charged proprietors of goods in private trade accounts - - -	15,347	14	1
Ship books, &c. charged owners in freight accounts - - -	480	11	11
	91,440	7	1 ½

Amount of Charges General - - - £. 449,109 3 8

Add,

The following sums included in the amount of Commercial Charges General, contained in the account of Receipts and Payments since carried to different heads of expenditure:

	£.	s.	d.
Amount paid by the Company's husband and paymaster, on account of outfit of ships, &c., carried to freight and demorage - - -	14,132	10	1
Amount paid by the Company's husband, for duties on exports carried to Customs - - -	13,003	7	-
Amount short, carried to the Political Charges General, in the various disbursements of the officers of the house - - -	1,049	17	1
	28,185	14	2

Amount of Commercial Charges General in Annual Account of Receipts and Payments, from 1st May 1814 to 1st May 1815 - - - £. 477,294 17 10

(Errors excepted.)

East India House,
5 August 1818. }

(signed)

Charles Cartwright,
Acc^t Gen^l.

(Appendix 9, in No. 19.)

A SPECIFICATION of the Particulars of the Payments on Account of CHARGES of
MERCHANDIZE, from 1st May 1815 to 1st May 1816.

Appendix, No. 19.

Appropriation of
the Surplus Profits
of the East India
Company.

	£.	s.	d.
Tradesmen's bills, for the expenses of the East India House, repairs, taxes, coals, candles, &c. (one-half) - - - - -	13,963	4	4
Law charges, incurred in respect to commercial matters - - - - -	1,510	10	2
Commercial annuities and pensions - - - - -	13,678	2	5
Directors' gratuities (one half) - - - - -	3,761	15	6
Proportion of salaries and allowances to officers of the house and warehouses, chargeable to the Commercial Branch, according to the principle established for each office in the plan of Accounts approved by the Board of Commissioners - - - - -	77,230	19	-
Royal East India volunteer regiments (one half) - - - - -	346	7	7
Passage to India and China of commercial servants - - - - -	40	-	-
Subscriptions to charities, and on public occasions (one half) - - - - -	3,009	7	6
Extra clerks (one-third) - - - - -	6,648	10	2
East India College, chargeable to the Commercial Branch, in the proportion that the number of servants abroad employed in that branch, bears to the whole number of servants in the Indian and China establishments - - - - -	1,944	-	-
Expresses and ship's packets - - - - -	631	15	6
Adjustment of Indian accounts and payments on account of India - - - - -	5,038	10	10
Outfit of Company's sloops - - - - -	5,805	9	4
Books, maps, prints, charts, &c. (one half) - - - - -	1,487	14	-
Advances on account of Organzine silk and other goods - - - - -	12,137	1	10
Building and repairs of Company's hoys - - - - -	3,857	3	6
Supercargoes commission - - - - -	80,929	15	10
Fees to King's officers and expense of entries at Custom House - - - - -	2,580	18	8 $\frac{3}{4}$
Tradesmen's bills for the warehouses - - - - -	37,471	1	3
Rents, wharfage, &c., landing goods - - - - -	4,597	16	4 $\frac{1}{2}$
Examining surgeons and surgeon's mates (one half) - - - - -	210	-	-
Stamps, including stamps for transfers - - - - -	2,079	19	6
Convoying Company's ships - - - - -	2,730	-	-
Buildings - - - - -	30,552	11	6
Labourers' wages - - - - -	173,605	15	7
Cartage - - - - -	10,961	10	3 $\frac{1}{2}$
Taxes for the warehouses - - - - -	11,130	7	11
Pensions paid to labourers by warehouse-keepers - - - - -	4,527	15	6
Hoyage and lighterage - - - - -	5,342	-	-
Inspectors, surveyors of shipping, &c. &c. - - - - -	7,753	1	6
Sundry miscellaneous disbursements of the officers of the house and warehouse-keepers, of a commercial nature - - - - -	1,720	11	9 $\frac{1}{4}$
Making up deficiencies of Labourers' Fund - - - - -	2,878	7	2
Journies of Directors, visiting ships, &c. - - - - -	176	11	6
Gratuities to sundry persons for present relief - - - - -	277	12	-
Gratuities to sundry persons for commercial services, sums not exceeding 600 l. each - - - - -	420	-	-
Gratuities to officers and seamen of Company's ships, for their conduct when attacked by an enemy - - - - -	181	-	-
Stationery, for home consumption (one half) - - - - -	4,041	10	-
Buildings and repairs to caravans - - - - -	3,715	11	7
Printing tea-brokers' books - - - - -	1,000	-	-
Disbursements of agents at out-ports - - - - -	1,489	8	-
East India Dock Company - - - - -	14,911	-	6
Salvage - - - - -	2,285	4	2
London Dock Company - - - - -	4,154	17	4
Expenses on account of shipment of bullion - - - - -	314	13	7
Duty on saltpetre delivered to the Board of Ordnance - - - - -	477	8	-
Protections to seamen - - - - -	2	16	6
Carried forward - - - - - £.	563,609	17	9

Appendix, No. 19.

Appropriation of
the Surplus Profits
of the East India
Company.

				£. s. d.		
Brought forward				-	-	563,609 17 9
RECEIPTS:				£. s. d.		
Old goods sold	-	-	-	2,682	4	8
Warehouse rent	-	-	-	24,500	10	8
Discount, deducting commission on bonds bought up	-	-	-	183	11	-
Charles Cartwright, in trust, to await future disposal	-	-	-	350	-	-
Greenwich Hospital	-	-	-	9	12	9
Impress received from sureties of run-men	-	-	-	15	16	3
Received of owners of ships, for ledgers of wages	-	-	-	16	2	-
Charges on the baggage of passengers	-	-	-	1,403	-	-
Ship books, &c. charged owners, in freight accounts	-	-	-	1,830	-	-
Warehouse rent, charged proprietors of goods in private trade accounts	-	-	-	43,737	10	4
Balance in hands of warehouse-keepers and officers of the house, less on the 1st May 1816 than on the 1st May 1815	-	-	-	2,249	10	8
				76,977 18 4		
Amount of Charges Merchandize				-	-	£. 486,631 19 5
Deduct,						
Amount paid by Company's husband and paymaster, for outfit of sloops, &c. carried in account of receipts and payments to freight and demorage, but which ought to have remained a charge of merchandize				1,497	5	6
Expense of the stationery warehouse, carried in account of receipts and payments to commercial exports, but which has subsequently been carried to the account of the Political Branch				491	-	-
				1,988 5 6		
				£. 484,643 13 11		
Add,						
The following sums included in the amount of Commercial Charges General, in the account of Receipts and Payments, since carried to different heads of expenditure :						
Amount short, carried to Political Charges General, in the various disbursements of officers of the house				1,679	14	1
Amount paid on account of the Fee Fund, carried by mistake to Charges General				700	-	-
Amount of duty on Exports paid by Company's husband, carried to Customs				4	3	-
				2,383 17 1		
Amount of Commercial Charges General in Annual Account of Receipts and Payments, from 1st May 1815 to 1st May 1816				£. 487,027 11 -		

(Errors excepted.)

East India House, }
5 August 1818. }

(signed)

Charles Cartwright,
Acct Genl.

(Appendix 10, in No. 19.)

Appendix, No. 19.

A SPECIFICATION of the Particulars of the Payments on Account of CHARGES of
MERCHANDIZE, from 1st May 1816 to 1st May 1817.Appropriation of
the Surplus Profits
of the East India
Company.

	£.	s.	d.
Tradesmen's bills for expenses of the East India House, repairs, taxes, coals, candles, &c. (one half) - - - - -	15,326	7	-
Law charges, incurred in respect to commercial matters - - - - -	2,805	12	11
Commercial annuities and pensions - - - - -	14,311	-	1
Directors' gratuities (one half) - - - - -	3,836	19	7
Proportion of salaries, &c. allowances to officers of the house and warehouses, chargeable to the Commercial Branch, according to the principle established for each office in the plan of accounts approved by the Board of Commissioners - - - - -	70,890	8	9
Subscriptions to charities, and on public occasions (one half) - - -	907	13	-
Extra clerks (one third) - - - - -	6,161	1	10
East India College, chargeable to the Commercial Branch, in the proportion that the number of servants abroad employed in that branch bears to the whole number of servants in the Indian and China establishments - - - - -	1,458	-	-
Expresses and ship's packets - - - - -	251	17	2
Adjustment of Indian accounts and payments on account of India - -	2,099	-	10
Outfit of Company's sloops - - - - -	2,823	6	6
Books, maps, prints, charts, &c. (one half) - - - - -	1,390	10	8
Advances on account of the preparation of goods for sale - - - - -	7,599	10	10
Repairs of Company's boats - - - - -	4,284	11	8
Supercargoes commission - - - - -	91,583	11	10
Fees to King's officers and expenses of entries at the Custom House - -	2,281	1	9½
Tradesmen's bills for the warehouses - - - - -	48,525	3	1
Rents, wharfage, &c. &c. and landing goods - - - - -	5,740	2	7
Examining surgeons and surgeons' mates (one half) - - - - -	273	-	-
Convoying Company's ships - - - - -	525	-	-
Buildings - - - - -	9,783	4	-
Labourers' wages - - - - -	157,440	-	8½
Cartage - - - - -	10,780	15	5
Taxes for the warehouses - - - - -	9,397	2	6½
Pensions paid to labourers by warehouse-keepers - - - - -	5,228	4	6
Hoyage and lighterage - - - - -	5,351	3	6
Inspectors, surveyors of shipping, &c. &c. - - - - -	8,385	12	5½
Sundry miscellaneous disbursements of officers of the house and warehouse-keepers, of a commercial nature - - - - -	1,350	6	3½
Making up deficiencies of Labourers' Fund - - - - -	2,220	12	6
Gratuities to sundry persons, for present relief - - - - -	50	5	-
Gratuities to sundry persons, for commercial services, sums not exceeding 600 l. each - - - - -	1,380	5	-
Gratuities to officers and seamen of Company's ships, for their conduct when attacked by an enemy - - - - -	120	-	-
Stationery for home consumption (one half) - - - - -	3,959	12	9
East India Dock Company - - - - -	19,284	3	5
Building and repairs, &c. to caravans - - - - -	2,438	17	9
London Dock Company - - - - -	6,188	4	-
Printing tea-brokers' books - - - - -	1,000	-	-
Disbursements of agents at out-ports - - - - -	940	12	8
China embassy - - - - -	14	14	-
Expenses on account of shipment of bullion - - - - -	240	12	-
Unclaimed prize-money, which in former years has been deducted from the payments for Charges of Merchandize, lately agreed to be carried to the account Poplar Contingent Fund - - - - -	5,574	11	7
Carried forward - - - - £.	534,203	-	2½

Appendix, No. 19.

Appropriation of
the Surplus Profits
of the East India
Company.

Brought forward			£.	s.	d.
			534,203	-	2 ½
RECEIPTS.					
			£.	s.	d.
Old goods sold	-	-	1,891	7	7 ½
Warehouse rent	-	-	16,889	11	7 ½
Royal East India volunteer regiments	-	-	257	-	4
Stamps, including stamps for transfers	-	-	818	10	4
Received of owners of ships, for ledgers of wages	-	-	23	12	6
Impress received from sureties of run-men	-	-	17	8	1
Greenwich Hospital	-	-	8	16	-
Warehouse charges on the baggage of passengers	-	-	1,772	10	-
Warehouse rent, charged proprietors of goods in private trade accounts	-	-	33,406	17	8
Ship books, &c. charged owners in freight accounts	-	-	2,391	-	-
Balance in hands of warehouse-keepers and officers of the house, less on 1st May 1817 than on 1st May 1816	-	-	1,408	16	4 ½
			58,885 10 6 ½		
Amount of Charges of Merchandize			-	-	- £.
			475,317 9 8		
Deduct,					
The amount deducted from Charges General in account of receipts and payments, for adjustments of former years			-	-	-
			29,241	17	1
Amount paid by the Company's husband and paymaster, for outfit of sloops, &c. carried in account of Receipts and Payments to freight and demorage, but which ought to have remained a charge of merchandize			-	-	-
			2,815	7	6
			32,057 4 7		
			£.	443,260 5 1	
Add,					
The following sums included in the amount of Commercial Charges General, in the account of Receipts and Payments, since carried to different heads of expenditure:					
Amount short, carried to Political Charges General in the various disbursements of officers of the house			-	-	-
			1,393	13	8
Amount paid by paymaster, on account of Poplar Fund, carried to that head			-	-	-
			61	3	6
Amount of duties on exports, &c. paid by the Company's husband, carried to Customs			-	-	-
			531	6	6
			1,986 3 8		
Amount of Commercial Charges General in Annual Account of Receipts and Payments, from 1st May 1816 to 1st May 1817			£.	445,246 8 9	

(Errors excepted.)

East India House, }
5 August 1818. }

(signed)

Charles Cartwright,
Acc^t Gen^l.

(Appendix 11, in No. 19.)

SURPLUS COMMERCIAL PROFITS of the EAST INDIA COMPANY after Payment of the Dividends on the Capital Stock, from the 1st May 1814 to the 1st May 1831; together with the Amount appropriated in the same period, and showing the Balance remaining unappropriated on 1st May 1831; prepared in accordance with the Opinion of the Company's Standing Counsel, as it respects the Home-bond Debt discharged.

	Surplus Commercial Profits, after payment of Dividends on Capital Stock.	Amount applied to Payment of Interest on the Bond Debt.	Remaining Surplus.
	£.	£.	£.
1814-15 - - - - -	1,527,203	259,545	1,267,658
1815-16 - - - - -	713,610	235,967	477,643
1816-17 - - - - -	644,322	230,536	413,786
1817-18 - - - - -	1,220,334	211,659	1,008,675
1818-19 - - - - -	1,440,290	153,120	1,287,170
1819-20 - - - - -	400,819	157,266	243,553
1820-21 - - - - -	685,793	162,938	522,855
1821-22 - - - - -	1,114,219	155,161	959,058
1822-23 - - - - -	390,423	160,844	229,579
1823-24 - - - - -	469,291	140,140	329,151
1824-25 - - - - -	855,630	135,533	720,097
1825-26 - - - - -	454,187	111,739	342,448
1826-27 - - - - -	291,607	159,333	132,274
1827-28 - - - - -	289,022	153,441	135,581
1828-29 - - - - -	162,021	158,124	3,897
Deduct, £.	10,658,771	2,585,346	8,073,425
Amount adjusted in the Indian Books of the year 1828-29, on account of losses upon goods imported into India from Europe, which had arisen from deficiencies appertaining to the years from 1815-16 to 1817-18 - - -	51,195	- - -	51,195
As regards the } partly estimated 1829-30 -	10,607,576	2,585,346	8,022,230
Outward Trade } - ditto - 1830-31 -	118,569	114,973	3,596
	134,679	93,363	41,316
£.	10,860,824	2,793,682	- - -
			£. 8,067,142

APPROPRIATED AS UNDER:

	Home-bond Debt.	India Debt.	Consignments of Bullion to India, in aid of Sinking Fund.	Sum directed by the Financial Letter to Bengal, of June 1821, to be advanced to the Sinking Fund.	TOTAL.
	£.	£.	£.	£.	£.
1814-15 - - -	196,200	329,704	- - -	- - -	525,904
1815-16 - - -	136,300	318,382	- - -	- - -	454,682
1816-17 - - -	- - -	477	- - -	- - -	477
1817-18 - - -	12	200	- - -	- - -	212
1818-19 - - -	- - -	98	1,000,537	- - -	1,000,635
1819-20 - - -	- - -	- - -	166,302	- - -	166,302
1820-21 - - -	- - -	6,285	- - -	- - -	6,285
1821-22 - - -	- - -	10,576	- - -	1,500,000	1,510,576
1822-23 - - -	1,100	25,500	- - -	- - -	26,600
1823-24 - - -	75	1,396,842	- - -	- - -	1,396,917
1824-25 - - -	- - -	- - -	- - -	- - -	- - -
1825-26 - - -	712	- - -	- - -	- - -	712
1826-27 - - -	- - -	3,950	- - -	- - -	3,950
1827-28 - - -	- - -	82,103	- - -	- - -	82,103
1828-29 - - -	- - -	82,065	- - -	- - -	82,065
1829-30 - - -	- - -	75,778	- - -	- - -	75,778
1830-31 - - -	- - -	- - -	- - -	- - -	- - -
£.	334,399	2,331,960	1,166,839	1,500,000	- - -
					5,333,198

Balance of surplus Commercial Profits remaining unappropriated on the 1st May 1831, including the } £. 2,733,944
Sum of £. 1,848,790, Interest on the Balances due from the Territorial to the Commercial Branch }
Balance remaining unappropriated on the 1st May 1831, exclusive of Interest, as above - - - £. 885,154

East India House, }
Nov. 30, 1831. }

(Errors excepted.)

(signed)

Thos. G. Lloyd,
Acc^t Gen^l.

Appendix, No. 20.

Rates of Exchange
between the Terri-
torial and Commer-
cial Branches.

Appendix, No. 20.

CORRESPONDENCE, &c. relating to the RATES of EXCHANGE at which the Currencies of India are converted into Sterling, in the Account between the TERRITORIAL and COMMERCIAL BRANCHES of the Affairs of the EAST INDIA COMPANY.

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CORRESPONDENCE, &c.

Extract from PAPER OF OBSERVATIONS by the BOARD; dated 24 February 1814.

“THE Board conceive it proper to come to an understanding on a very material point, which is not adverted to in the Suggestions, namely, the rate of exchange at which the payment in India is to be credited.”

LETTER from James Cobb, Esq. to T. P. Courtenay, Esq.; dated at the East India House, 4 June 1814.

Sir,

IN obedience to the commands of the Court of Directors of the East India Company, I herewith transmit copy of a Report from the Committee of Accounts, dated the 13th April last; being the substance of a reply to the observations of the Right honourable the Board of Commissioners on the former Report from the Committee of Accounts, relating to the separation of Indian accounts, under the Act of the 53d of his present Majesty.

I have, &c.

(signed)

J. Cobb, Secretary.

(Enclosure.)

Extract from the REPORT of the COMMITTEE OF ACCOUNTS; dated 13 April 1814.

THE rate of exchange at which the amount of the several before-mentioned transactions shall be converted into the currencies of India will now be considered.

The rates heretofore used for reducing the Indian monies into sterling, have been so various and so little correspondent to the relative intrinsic values of the coins exchanged, as to produce neither accuracy in the results nor uniformity in the several accounts and statements.

As accuracy and uniformity are of primary importance in all the accounts and statements which the late Act of Parliament requires to show the future progress of the Company's affairs, it is submitted that the Indian monies be reduced into sterling in the Company's books, statements, and accounts at home, from and after the 30th April 1814, according to the intrinsic value of such monies when compared with the Mint price of the lawful currency of this kingdom, and that the sterling money of all supplies, &c. from England to India be reduced in the Indian books, statements and accounts; from the same period into the Indian monies, according to the same rule.

This

This procedure will certainly produce uniformity of statements, and that it will also produce accuracy of result, is presumed from the following considerations.

In this country every calculation of value and price, whether by comparison or otherwise, is referrible to the legal coin of the realm. The arguments and conclusions used by the parties in the recent discussion respecting the bullion question, however opposite, proceeded upon the Mint price of bullion, as the datum of all their calculations.

If it may then be considered, notwithstanding the derangement which has been produced by the stoppage of cash issues at the Bank, and by the great and unprecedented rise in the price of bullion, that the Mint price of bullion has been the only basis of every calculation respecting price and comparative value, it may surely be presumed that the Mint price should *undoubtedly* be the basis for valuing the Indian monies in all matters of account and statement between England and India.

If in England the public revenue and all private concerns are referrible to the coin of the realm at the Mint price, that is, at 3*l.* 17*s.* 10½*d.* per ounce for standard gold, and 5*s.* 2*d.* per ounce for standard silver, and on this principle the value in the Indian monies should be found, of all supplies from England to India, it may be presumed that as the public revenue and all private concerns in India are referrible to the currency established by the Company's regulations, that the value of the supplies from India to England and China should be found in a similar manner, which is by reducing the Indian monies into sterling, according to the fine metal contained in these monies, and the English legal currency respectively.

During the period of the late Charter, that is, from the year 1793, the current rupee of Bengal has been considered as 16 per cent. less valuable than the sicca rupee, and at that rate the sicca rupee has been reduced in all the public accounts drawn up at this house.

The sicca rupee, by the Bengal Regulations, contains of fine silver troy grains 175.927, and according to the English Mint value of 5*s.* 2*d.* for 444 grains fine silver, the intrinsic value of the sicca rupee is 2*s.* 0.566*d.* At this rate the value of the current rupee is 1*s.* 9.177*d.* Of late years the current rupee has been calculated as equal to 2*s.* in the factory accounts, and in the accounts of profit and loss; and as equal to 2*s.* 3*d.* in the account of stock per computation.

Now the consequence of this over-valuation of the current rupee, that is the difference between 1*s.* 9.177*d.*, and 2*s.* has been the giving a false view, not only of the statement of account between England and India, but also a statement equally false of the profit and loss on goods exported to India, and of goods imported from India.

If, for example, 100*l.* should be invested in metals, and charged at 2*s.* the current rupee, the article of metals in the Indian books would be debited for 1,000 current rupees, and of course the sale proceeds beyond that sum would be considered profit; but if the cost of the metals had been reduced into current rupees, according to the intrinsic value of the sicca rupee, or 1*s.* 9.177*d.* the current rupee, the account in the Indian books would have been debited for 1,133 current rupees, and of course the sale proceeds must have reached beyond that sum before any profit could be stated on the sale of the article in question; so, on the same principle, any article of Indian produce invoiced at 1,000 current rupees would stand charged in the home accounts with a prime cost of 100*l.*, and of course the article must sell beyond that sum before any profit could be stated thereon; but if the prime cost in the English accounts had been calculated according to the intrinsic value of sicca rupees, or 1*s.* 9.177*d.* the current rupee, the article in the home accounts would have been charged with 88*l.* 4*s.* 9*d.* as its prime cost, and of course a lesser sale value would show a profit thereon greater than appears according to the practice which has hitherto prevailed.

From this it is apparent that by departing from the real par value of the Indian and English currencies in the accounts and statements, and substituting an arbitrary or imaginary value, all the Company's exports, as well as their imports, have suffered a corresponding diminution in all the statements furnished from time to time. The evil of this procedure has been twofold; for, first, the exports have been charged less for prime cost in the Indian books than they should have been charged, which has shown a profit where there was none; and, second, the imports have been charged more for prime cost in the home accounts than they should have been charged, which has shown a loss where there might have been a profit.

To obviate this in future, it is submitted, that instead of continuing the present arbitrary valuation of the Indian monies, the real par value should be taken in all the future statements, which is as follows: Sicca rupee 2*s.* 0.566*d.*, Arcot rupee 1*s.* 11.247*d.*, Bombay rupee 1*s.* 11.004*d.*

The Arcot rupee is stated for the Madras accounts, because it appears by a late communication from the Governor and Council of Fort St. George, that the silver money is intended to take place of the gold in all the accounts and statements of that presidency.

Appendix, No. 20.

Rates of Exchange
between the Terri-
torial and Commer-
cial Branches.Revenue Letter from
Fort St. George,
5 March 1813,
paras. 92 to 96.

Extract LETTER from T. P. Courtenay, Esq. to James Cobb, Esq.; dated India Board,
30 June 1814.

Sir,

I HAVE the honour to acknowledge the receipt of your letter of the 4th instant, transmitting, by order of the Court of Directors of the East India Company, copy of a Report from the Committee of Accounts, dated the 13th April last, being the substance of a reply to the observation of the Right honourable the Board of Commissioners on the former Report from the Committee of Accounts relating to the separation of Indian accounts, under the Act of the 53d of his present Majesty.

Appendix, No. 20.

Rates of Exchange
between the Terri-
torial and Commer-
cial Branches.

Having brought the said Report under the consideration of the Board of Commissioners, I am instructed to communicate to you, for the information of the Court of Directors, the decision they have thought proper to pass on the several points brought into discussion by the Committee of Accounts as objectionable.

The Rate of Exchange at which the payment of *Territorial Charges in England* should be converted into Indian Currency :

THIS very essential point not having been distinctly brought forward in the first Report transmitted by the Court, the Board, thinking it necessary to come to a right understanding on the subject, called the attention of the Court to it in the paper of observations accompanying my letter, before adverted to. The proposition now transmitted in reply has been examined by the Board with all the deliberation so highly important and extremely delicate a point requires, being fully impressed by the reflection that it is not merely a matter of account, but involves likewise considerations of policy, prudence and consistency. The Board most fully admit the propriety of the position laid down by the Court, that with a view to show the future progress of the affairs of the Company, accuracy and uniformity are of primary importance in all the accounts and statements which the late Act requires ; and they are of opinion that the rate of exchange between the sterling money and the Indian currencies should be definitively fixed upon one uniform principle, because leaving the determination of it to be governed by the fluctuations of the times would be productive of confusion, irregularity and inconvenience.

Whatever opinion the Board may form as to the accuracy of the valuation of the Indian currencies in the accounts hitherto made up, and whatever weight might be supposed to attach to the reasonings now urged by the Court in support of their proposition to have recourse to a calculation according to the intrinsic value of the several coins, estimated at the Mint prices of Great Britain, it is conceived that the present occasion is the most unseasonable and unpropitious for the trial of such an experiment, as very injurious consequences may be apprehended to result from it in various ways.

The Board do not judge it necessary to enter upon a discussion of the accuracy of the calculation on the data assumed by the Court, which will involve questions of political economy of a very intricate nature ; but it is the opinion of the Board, that it would be neither wise to apply the rate resulting from that calculation to the purpose now in view, nor to use the rate which would result from the calculation on the actual market price of the precious metals, and much less the rate according to the current exchanges of the day, but that it will be far more eligible, on every consideration, to continue the rate of exchange that has generally obtained and been sanctioned by the usage of Parliament, as well in fixing of salaries and in the settlement of accounts between the Public and the Company, as in the accounts that have annually been presented to, or brought to the view of Parliament for a long series of years.

The rate so used has been as follows : 2 s. the current rupee ; 8 s. the pagoda ; 2 s. 3d. the Bombay rupee.

It should be added that the Court, in their Commercial Letter to Bengal of the 9th February last, para. 97, have directed the invoices of the stores exported to India (which stores are stated to form part of the Territorial disbursements in London) to be carried to account in the books at these rates ; and in another commercial letter to India by the ships last despatched, the amount of Indian currency has been converted into sterling upon the same calculation.

From all these considerations, the Board have thought proper to determine that this rate of exchange, which may be considered as a medium rate, be used in the conversion of the Territorial payments in England into Indian currency.

Extract of PLAN for keeping and arranging the BOOKS OF ACCOUNT of the East India Company in *England*; that the said Books shall contain and exhibit the Accounts of the Territorial and Political Departments separately and distinctly from such as appertain to or are connected with the Commercial Branch of their Affairs. Submitted by the Court of Directors of the said Company to the Board of Commissioners for the Affairs of India for their approbation, in conformity to the provisions of the Act of the 53d of the King, c. 155, s. 64, together with the Alterations, Amendments and Additions made by the said Board, in the manner also provided in the said Act.

Suggestions.

Remarks, Alterations, &c.

4. That an account be opened in the ledger under the head of " Territorial Account," which will contain on the debit side the amount of all payments made in England on that account, and on the credit side the payment by India of these advances, either by issues to the Commercial Boards in India or by any other means.

Approved, on the assumption that it is combined with such arrangements of detail as shall enable the Company from time to time to furnish such distinct accounts relating to the several branches of the Political Department, both as to debts and assets, and receipt and expenditure, as are or may be required by Parliament or called for by the Board, it being understood that the accounts of the payments in England for Territorial Charges

*Suggestions.**Remarks, Alterations, &c.*

Appendix, No. 20.

Rates of Exchange
between the Terri-
torial and Commer-
cial Branches.

Charges to be repaid in India, according to the provision of the 54th section of the Act of the 53d, will be drawn up or calculated from the debit side of this general head; and as the rate of exchange at which the payment in sterling shall be converted into Indian currency is not provided for in the said Act, the Board deem it eligible and proper to determine that the exchange shall be at the same rates which have obtained and been sanctioned by the usage of Parliament, as well in fixing of salaries, and in the settlement of accounts between the Public and the Company, as in the accounts which have annually been presented to or brought to the view of Parliament for a long series of years, viz.

2 s. the current rupee, calculated at 16 per cent. less than the sicca rupee.

8 s. the pagoda.

2 s. 3 d. the Bombay rupee.

LETTER from *James Cobb, Esq.* to *T. P. Courtenay, Esq.*; dated East India House,
16 May 1815.

Sir,

THE Committee of Accounts in their Report to the Court of Directors of the East India Company of the 13th April 1814, recommended that rates of exchange, founded on the par values of the Indian and English monies, should be adopted in the several accounts and statements of the Company's affairs after the 30th of the same month.

To this proposition the Board of Commissioners, in your letter of the 30th June 1814, objected, for the reasons therein stated; but as it appears to the Court that the subject is still open to discussion, and that it is of the utmost importance to the just and accurate statement of the future progress of the Company's affairs, that the rates then recommended should be finally adopted, I am directed to submit copy of a Report from the Committee of Accounts; also of a paper therein referred to, prepared on the subject, entitled "Memorandum on the Valuation of the Indian Monies in Account," containing further reasons for inducing the Board's adoption of the rates above adverted to.

I have, &c.

(signed) *James Cobb, Secretary.*

(Enclosure No. 1.)

REPORT of the COMMITTEE of ACCOUNTS.

THE Committee in their Report to the Court of the 13th April 1814, recommended that rates of exchange, founded on the par values of the Indian and English monies, should be adopted in the several accounts and statements of the Company's affairs of 30th April 1814. To this proposition the Board of Commissioners for the Affairs of India, in the letter from their Secretary of the 30th June 1814, objected, for the reasons stated in that letter; but as it appears to your Committee that the subject is still open to discussion, and that it is of the utmost importance to the just and accurate statement of the future progress of the Company's affairs, that the rates recommended in the Committee's Report of the 13th April 1814 before referred to, should be finally adopted; your Committee have read and approved a further paper prepared on the subject, which they recommend, if such paper shall meet with the approbation of the Court, be submitted to the Right honourable the Board of Commissioners, as further reasons for inducing the adoption of the rates proposed by the Court in April 1814.

The Committee, therefore, present the paper referred to, intituled, "Memorandum on the Valuation of the Indian Monies in Account," to the consideration of the Court.

East India House, 12 May 1815.

(Enclosure No. 2.)

Extract MEMORANDUM on the Valuation of the Indian Monies in Account.

THE memorandum referred to in the above Report is of considerable length, the substance of the arguments it contains is comprised in the following concluding observations:

735—II.

r r 4

" If

The rate at 2/6, and 12 months' date, deducting the interest, is equal to	s.	d.
The Board's rate is	2	4.57
	2	3.84
Difference	0	0.73

or about $2\frac{1}{2}$ per cent.

Value, sicca, in exchange, as above -	s.	d.
Intrinsic value of sicca	2	4.572
	2	0.566
Difference	0	4.006

or about $16\frac{1}{3}$ per cent.

Sicca rupee, instead of -	s.	d.	s.	d.
Arcot rupee -	1	11.247	1	11 $\frac{1}{2}$
Bombay rupee	1	11.004	1	11

The modification is proposed merely for the convenience of more ready calculation.

Sicca rupee	s.	d.
Arcot rupee	1	11 $\frac{1}{2}$
Bombay rupee	1	11

"If the Board's rates are finally adopted, the following are the consequences which are likely to occur:—First, the true par of exchange will be overlooked, and so far from the rate charged in the bills for interest on the Indian debt being considered as it really is, a political rate, it may be understood as little beyond a fair commercial rate, when by the adoption of the Board's rates, the real par may be referred to those rates instead of being referred to the relative intrinsic values of the several coins exchanged. And, second, not only will the Company's commercial statements experience the deterioration before mentioned, but at the same time the amount of their gross and net revenues will experience an increase in the same ratio; from which it may be contended by those who are inimical to the Company, that as the commerce appears to be carried on at a loss, while the net revenues are increasing in amount, it would become a matter of absolute necessity to abandon that commerce altogether, and thus leave the realization of even the surplus revenue to the medium of the private trade.

"But if the Court's rates (or the modification of them in the margin) are finally adopted, the statements of revenue and charges, and commercial and political intercourse, will be formed on a principle of valuation, which will at all times show the just comparison between Indian and English money, and will exhibit in the profit and loss accounts results calculated according to the fixed values of the coins of England and India, and thus, by deductions from such values, prove how far the trade carried on by the East India Company is really profitable, and how far that profit extends.

"It may be proper also to state, in concluding these observations, that, by the adoption of the Court's rates, the very important considerations before mentioned will be accomplished, the general principle for the valuation of coins will be preserved, and the whole accounts and statements will be drawn up on principles which appear perfectly applicable to England and India, the government of both being essentially conducted by the same authorities, and each being equally under the control and direction of the same Parliament."

LETTER from *T. P. Courtenay, Esq.* to *James Cobb, Esq.*; dated India Board, 3 August 1815.

Sir,

I HAVE to acknowledge the receipt of your letter of the 16th May last, transmitting copy of a report of the Committee of Accounts of the 12th of the same month, together with a document intituled, "Memorandum on the Value of the Indian Monies in Account," which document is recommended by the said Committee to be submitted to the Board of Commissioners for the Affairs of India, as containing further reasons for the adoption of the rates of exchange proposed by the Court of Directors in April 1814, in the several accounts and statements of the affairs of the East India Company after the 30th of that month, instead of the rates directed by the Board, as signified in my letter of the 30th June following.

I am directed by the Board to request you will state to the Court, that the determination thus communicated was not passed without the most deliberate and mature consideration of the grounds upon which the Court had proposed the conversion of sterling money into the Indian currencies, at the several rates set forth in the Report of the Committee of Accounts, dated 13 April 1814.

The representation of the Court against the rates directed by the Board, as detailed in the document transmitted at the recommendation of the Committee of Accounts, has since been examined, with all the attention due to a subject which involves not only the interests of the East India Company, but those of the subjects of the United Empire at large.

The renewal of the Charter was a transaction in which Parliament and the British Government were contracting parties with the Company; the only computation of the value of the Indian coins referred to in the negotiation between the Company and the Public, or submitted to the consideration of Parliament, were those of 2s. the current rupee, 8s. the pagoda, and 2s. 3d. the Bombay rupee, and the whole arrangement must be understood to have been concluded, upon an admission of the accuracy for practical purposes of that valuation, which, from long usage even on the part of the Company, had become customary. On these principles of calculation adjustments of accounts have taken place, and payments have been made by the public to the Company to the extent of several millions; and were they now to be changed, the public might claim of the Company a revision of the accounts already settled, as well as a correction in all future payments.

A deviation from the continuance of rates so established by usage could not be justified but upon the strongest grounds of practical inconvenience; and indeed the Board entertain some doubts of their competency to sanction an alteration in a system which, for more than 20 years, has been in operation, with the approbation of Parliament, and on which the arrangements of the new Charter may be understood to rest.

From the earliest times of which the East India Company have any account, the valuation of the Indian currencies in sterling money has been much higher than their intrinsic value estimated as bullion. This enhanced value of those coins may be attributable to two causes, which by their joint operation would seem sufficiently to account for it; the one, that there has been almost constantly a balance of trade in favour of India, in consequence of which the course of exchange has been almost uniformly in favour of that country, as may be judged

judged from the great import of bullion; the other cause appears to be the high seignorage taken in the Indian mint.

In fact it is evident, that if the coin of any country be rendered by means of seignorage of greater value than bullion in the same country, it will preserve a part or the whole of this extrinsic and additional value in other countries with which the country in which it is coined may have commercial relations, especially if the course of payments be usually in favour of the coining country.

Accordingly, in most of the common tables of coin and currency which have been published in the last century, the sicca rupee is rated at 2s. 6d.; and in no one of the accounts annexed to the memorandum is the rupee and the pagoda rated at a lower value than what is adopted by the Board, except in one or two cases of the Madras pagoda, the latest of which occurs as long ago as the year 1771.

It is however much less material to inquire, upon abstract principles, what would be the proper rates at which to fix the Indian currencies, if the question were now to be settled for the first time, than to consider what would be the inconveniences which would arise from adopting the alterations suggested by the Court.

The calculation of the result of the Company's import trade for the last 28 years is stated in an appendage to the memorandum to have been made according to the customary rates adopted by the Board, with the exception of that from Bombay, in which the rupee is rated at 2s. 6d. instead of 2s. 3d. On this calculation the profitable out-turn of the adventure has been strongly asserted on the part of the Company. Since the passing of the Act of the 53d, by which the trade with India was opened to the enterprise of private merchants, the course of exchange for bills between India and London has been considerably enhanced. Those on Calcutta from 2s. 2½d. to 2s. 5½d. the rupee, and on London from 2s. 5½d. to 2s. 8½d. at 60 days' sight, and are liable to a further increase in proportion to the demand. The Company in their commercial capacity are already in the possession of considerable advantage over the merchant, independent of the great facility and security of the extensive remittance under the arrangements prescribed by the Act. Should that remittance be allowed to be made at the rates of exchange contended for by the Court, the private merchant could not persevere in the competition without most serious hazard, and the privilege granted by Parliament would be rendered nugatory. He cannot procure funds in India, or remit funds to India by consignments or otherwise, upon any calculation founded on the intrinsic price of bullion; so that, on mercantile principles, he would in all probability be driven from the market.

The objection to the proposition of the Court as it respects the political branch of the concern, and consequently the practical inconvenience resulting from it, stands upon strong grounds.

The pay of the civil and military service is received in Indian currency, with the full understanding of its relative value to sterling, on rates which custom has rendered habitual. In the civil, the customary rate adopted by the Board is repeatedly prescribed in Acts of Parliament, and it would be unwise to make an alteration which might prove the means of furnishing grounds of claim to compensation.

The advantage stated by the Court to be derived by the Customs does not require further remark, than that the rate of exchange at which the sterling money of the invoices is converted into currency, according to the Regulations, has been the source of complaint, and orders have been sent to India for a revision.

The observations with respect to the disuse of the current rupee in the Bengal accounts is of very little consequence, for it would, if applicable at all, have been a reason for changing the Parliamentary accounts several years ago; and as to the probable disuse of the pagoda in the Madras accounts, the substitution of the Arcot rupee can be made at the customary rate of 3½ rupees per pagoda.

In reply to the objection offered by the Court to the several rates adopted by the Board, that they do not agree in comparative value, it should be observed that they are the rates in customary use between the respective presidencies and England, and it will only require in the several officers of account abroad and at home a perseverance in that necessary attention to accuracy to which they are already accustomed.

On the whole, the determination of this question must be considered to rest more upon expediency and practical convenience than upon any theory, however plausible, and particularly a theory involving the consequences which have been pointed out. The Board have, therefore, upon the fullest consideration, determined to adhere to the decision communicated in my letter of 30 June 1814, with the addition of what relates to the conversion of the Madras pagoda into Arcot rupees.

I am, &c. &c.

(signed)

T. P. Courtenay.

LETTER from *Joseph Dart, Esq.* to *T. P. Courtenay, Esq.*; dated India House,
17 July 1816.

Sir,

I AM commanded by the Court of Directors to enclose, for the purpose of being laid before the Right honourable the Board of Commissioners for the Affairs of India, copy of a Report from the Committee of Correspondence, dated the 10th April, together with the Paper of Observations referred to therein. And I am directed to request you will be pleased to state to the Board, that in the opinion of the Court of Directors the circumstances stated in

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torial and Commer-
cial Branches.

the Observations are sufficiently important to justify another application to the Board of Commissioners, for the purpose of obtaining their sanction for the adoption of the Rates formerly preferred by the Court in all the Company's statements from the 30th April 1814. And I am further directed to request you will be pleased to bring the enclosed Papers before the Board as early as may be convenient.

I have, &c.
(signed) J. Dart, Ass^t Sec^y.

(Enclosure, No. 1.)

REPORT of the Committee of Correspondence; dated 10 April 1816.

A PAPER of Observations on Mr. Courtenay's "Letter of the 3d August 1815, respecting the Rates of *Exchange of Indian Monies in Account*" having been laid before the Committee by the Chairman, and the Committee having approved the same, beg leave to lay it before the Court, and to submit that a copy of the Paper be transmitted to Mr. Courtenay in a letter from the Secretary.

(Enclosure, No. 2.)

OBSERVATIONS on Mr. Courtenay's Letter of the 3d August 1815, respecting the Rates of Exchange of Indian Monies in Account.

Letter from
Mr. Courtenay,
13 June 1814.

THE Board, by this Letter of their Secretary, confirm their former decision respecting the rates of 2s. the current rupee, 8s. the pagoda, and 2s. 3d. the Bombay rupee. But the Board agree to the Court's proposition for reducing the pagoda into Arcot rupees, at the rate of 3 $\frac{1}{2}$ rupees for one pagoda.

The Board object to the alteration proposed by the Court, principally for the following reasons:

1st.—The public might claim of the Company a revision of the accounts already settled, as well as a correction in all future payments.

2d.—It is doubted whether the change could be admitted, without the sanction of Parliament.

3d.—Indian monies, from the Company's earliest accounts, have been rated higher than their intrinsic value, partly from the balance of trade being in favour of India, and partly from the high seignorage charged in the Indian mints, which together tend to preserve that extrinsic and additional value in other countries.

4th.—If the rates proposed by the Court were allowed, the Company would obtain such an advantage as would probably drive the private trader out of the market, which is contrary to the intentions of Parliament.

5th.—The effect the change would produce respecting the Political Branch of the Company's affairs, "stands upon strong grounds."

6th.—The change might give rise to claims for increased allowances from the civil and military servants of the Company.

Previous to offering any remarks on these several points, it appears proper to notice, that in the observations on the Court's recommendation for valuing the Indian monies in account according to the relative quantity of fine metal in those monies, and in the legal coins of Great Britain, the Board have uniformly called that recommendation a "theory," and have treated it as being contrary to practical convenience. It may perhaps be allowed again to observe, that it is not only the true theory on which all calculations of exchange should proceed, but it is also the mode in universal practice for finding the par rates of exchange; and it is from the par rates so formed, that the amount of the deviation, in what is called the course of exchange, is calculated, by which the difference above or below par is found, and from which the favourable or unfavourable operation of the course of exchange is deduced.

In respect to the *first point* it may be remarked, that the Court could have no objection to a revision of the accounts already settled with the public, at least so far as regards the rate of exchange, which is the only question now under consideration, because the presumed equity of the case, as well as the practice lately adopted, leave the Court no apprehension of sustaining any loss on that account. *First*, as to the presumed equity of the case, the accounts referred to were for advances by the Company in India for His Majesty's service there, which advances were repaid in London, at certain rates of exchange.

Appx. to 4th Report in 1812, No. 26, p. 497.

The amount drawn on the Company from 1794-5 to 1806-7, was 9,137,527*l.*, and the expense to the Company, beyond the rates charged to the public, was 254,072*l.* or 2.78 per cent.

Appx. to 3d Report, No. 17, p. 395.

In the same period the advances in India for the public service were admitted by the House of Commons to amount to 5,010,702*l.*

1st Report, 1808, p. 5, and 30 to 40; and 3d Report above, p. 395.

It is presumed that whatever might have been the principle on which the rates of exchange were founded, for reducing the advances in India into sterling, that the Company were justly entitled to be repaid in England a sum equal to the expense they incurred in providing those advances for the public service in India; but in the accounts referred to, the rates used for charging the public with the advances in India were nearly 3 per cent. less than the average rates paid by the Company for bills drawn on them from India. The principle above stated was however partly recognised in the settlement of the accounts referred to, as the Company were allowed to charge the public interest according to the average rates the Company paid for money raised in India during the period comprehended in those accounts.

And *second*, as to the practice lately adopted. It may be presumed the Board have seen the justice of the conclusion, that if interest was allowed according to the rate paid, so should the advances of principal be repaid in the same manner. This has been fully recognised in the late agreement with His

His Majesty's Government, for the payment in England of advances made in India. These advances are to be furnished from the cash remaining in the Indian treasuries, in consequence of the interest on the Indian debt being taken out by bills drawn on England at the rate of 2s. 6d. per sicca rupee. And upon this principle it has been agreed that the advances to the public service in India should be repaid in England at 2s. 6d. per sicca rupee also. This equitable agreement seems to have been overlooked by the Board in the late letter of their secretary, otherwise it could not have escaped notice, that so far as regarded advances in India, the sum to be repaid on that account should in all cases be regulated by the sum it cost the Company to supply such advances, without any reference to the rates used in the accounts and statements. In either view, therefore, it is presumed a revision of the rates used in the accounts already settled between the public and the Company could not be objected to by the Court, should the Board think such revision necessary, as it is clear by the mode recently adopted for the settlement of future accounts, that such revision would be in favour of, and not against the Company.

As to the *second point*, it is to be presumed that Parliament would not withhold its sanction to any measure which was founded on principles so agreeable to general usage, as those which the Court have recommended.

The *third point* embraces two distinct considerations, *First*, the supposed effects of the balance of trade, and *Second*, the supposed effects of the Indian seignorage on the coinage. On the first consideration it is with much deference observed, that the Board appear to have overlooked the manner in which the trade with India was conducted, at least so far as that trade is supposed to affect the rates of exchange used in the early part of the Company's affairs. The trade with India was carried on at the beginning of the last century, principally by goods and bullion consigned to the several factories, the bills drawn on England being granted more in the nature of indulgences to the Company's servants, than as the means for carrying on the trade. The bills paid in the early part of the last century were in the proportion of about one-tenth to the goods and bullion sent out, as shown in the margin. After the year 1735 the proportion of bills drawn to goods and bullion sent out increased, but so far from this increase operating in the way supposed by the Board, it is worthy of particular notice, that taking Bengal as an example, even from the year 1724, the rates for bills declined from about 2s. 7½d. to about 2s. 2½d. to 2s. 3d., which was the rate in 1760. From 1761 to 1766 the rate was 2s. 4d., and from that period the rate declined to 2s. 1d. and 2s., which were the rates from 1771 to 1790. In 1786 and 1787 some part of the Indian debt was paid by bills drawn at 1s. 8d., and 1s. 11d. per current rupee. For some time after the Company became possessed of the Dewannee, the Indian revenues provided a part of the Europe investments. In this case so far from those investments representing any balance in favour of India, the part provided by the revenues was in fact so much of the balance of the annual tribute due from India to the Company as the sovereigns of the country. It is well known that for some years after the Dewannee, owing to a mistaken policy, the Company refused to take the savings of their servants in India for bills on England, and that in consequence those savings were advanced to the Foreign European Companies, to the great detriment of the Company's affairs. It is equally well known that the rates of exchange granted at that time by the Foreign Companies did not proceed on the real, or the supposed real value of the Indian monies, compared with the European monies with which they were exchanged; but those rates were fixed according to the demand for goods in Europe, and of course according to the demand in India for funds to purchase such goods, and according to the quantity of the funds in the hands of individuals requiring remittance to England through the medium of the trade of the Foreign European Companies, all other means of remittance except that of the coins of the country being closed by the policy before mentioned.

On the second consideration, respecting the supposed effects of the seignorage charged in the Indian mints, it is observed by the Board, "In fact it is evident that if the coin of any country be rendered, by means of seignorage, of greater value than bullion in the same country, it will preserve a part or the whole of this extrinsic and additional value in other countries with which the country in which it is coined may have commercial relations, especially if the course of payments be usually in favour of the coining country." This observation is not quite free from ambiguity; as it is stated, if coin is rendered more valuable by seignorage than bullion, &c., without stating in what manner the supposed extrinsic value is given by the mere charge of seignorage. In India it appears to have been the practice to deduct from the number of the pieces coined a certain portion out of every 100 or 1,000 for the charges of the respective mints. According to the late Lord Liverpool, it appears to have been the practice in some countries (European) to retain the seignorage by a reduction in the standard of the coin. Now, in either of these cases, it is clear such charge cannot add to the real value of the coin; it certainly does increase the expense of fabrication, and so far, where payments are to be made, the cost of the coin will be increased; but it appears to be quite contrary to the principles of the circulation of money, that such increased cost of fabrication should give any increased value to the coin so charged with that cost, in any other country than that where it circulates as

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Rates of Exchange between the Territorial and Commercial Branches.

From 1705-6 to 1734-5. The average annual value of goods and stores exported by the Company was	£. 101,296
The average annual value of bullion was	- 455,312
	£. 556,608
And the average annual amount of bills paid from 1705-6 to 1734-5 was	53,992

This period is taken, because it is the period in which the rates used in the home accounts, as stated in the memorandum forwarded by the Court, were the highest in the whole series of more than 100 years referred to on that occasion.

Note.—It was not till 1787 the Bengal rupee was reduced in any of the home accounts from 2s. 6d. to 2s.; it was not till 1735 that the pagoda was reduced from 9s. to 8s.; and from 1712 to 1739 the Bombay rupee was charged at 2s. 6d., after that at 2s. 5d. and 2s. 6d.; and from 1789 at 2s. 3d.; from 1705 to 1712 the Bombay rupee was charged at 2s. 3d.

Letter from Lord Liverpool to the King, p. 154.

"It is and has long been a dispute among the writers on coins, whether the charge of fabricating coins, and even a seignorage payable to the sovereign, should not be taken out of our coins, as is practised in most foreign countries; and many eminent men have differed on this point. I incline to think that the charge of fabrication should not be taken from those coins, which are the principal measure of property and instrument of commerce, and still less any profit derived from seignorage payable to the sovereign."

P. 154.

"Because the merchants of foreign nations, who have any commercial intercourse with this country, estimate the value of our coins only according to the intrinsic value of the metal that is in them, so that the British merchant would in such case be forced to pay, in his exchanges, a compensation for any defect which might be in these coins, and he must necessarily either raise the price of all merchandize and manufactures sold to foreign nations in proportion, or submit to this loss."

* Bengal Journal, 1710-11, p. 7.
 — — — p. 15.
 — 1711-12, p. 69.
 — — — p. 162.

† Bengal Journal, 1711-12, p. 107.

Extract, Fort William Journal, Aug. 1719, p. 14.

"Sold for ready money, to defray expenses, three chests of Mexico dollars, at 207 sicca rupees for 240 sicca weight, that being the price the Shroffs give for silver in payment of bills of exchange, or ready money, though we make our merchants take it at 209 sicca rupees for 240 sicca weight."

	Troy Grains.
One sicca weight - -	179.67
240 - ditto - -	43,120.80
43,120.80 Troy grains, standard silver, =	39,886.74
Troy grains, fine silver.	

One sicca rupee contains 175.927 Troy grains of fine silver; therefore 240 sicca weight of standard silver = 226.72 sicca rupees.

Given for 240 sicca weight 209; difference 17.72 or 8.4 per cent.

the legal currency. Perhaps Lord Liverpool's authority may be quoted in this case also.

To ascertain what rupee was used in the home accounts for the Bengal factory, and the manner in which sterling money was converted into Indian currency, the books of that factory, from 1710-11, have been investigated, and the following is the result: In May 1710, there was a batta of $12\frac{1}{2}$ per cent. added on the currency used in the books, in which the value of bullion from England was charged, without it being stated whether that currency was the current or sicca rupee. In August 1710* it was charged at $13\frac{1}{2}$ per cent.; and in November 1711, it was charged at 16 per cent. In February 1712, it is expressly stated that the silver received from England was valued at 211.4 sicca rupees for every 240 sicca weight; this produce being carried out in rupees, and to that amount 16 per cent. being added for batta. † The bills drawn on England are stated in rupees, and the number of rupees so stated is carried out without any batta being added thereto. It is not till the year 1719-20 that any entry in the Bengal books can be found for showing the whole operation of the manner in which the bullion received from India was carried to account and issued. It appears that it was the custom to divide the invoice sterling value of the bullion received by 2 s. 6 d., and then to carry out that produce as the cost in rupees.

In its issue, the bullion in sicca weight was charged at so many sicca rupees for every 240 sicca weight, the number of sicca rupees varying with the standard fineness of the bullion sent out. In 1719-20 the variation was from 207 to $213\frac{1}{2}$ sicca rupees for every 240 sicca weight of the several parcels of silver contained in the invoices of that year. As 209 appears to have been considered the equivalent for standard bullion, the difference was $17\frac{1}{2}$ against the Company in this exchange, if the intrinsic value of the sicca is compared with the fine silver in 240 sicca weight of standard bullion; therefore the sum divided between the native mint and the native merchant appears to have been at the rate of about $8\frac{1}{2}$ per cent.

It may then be presumed evident that the value of the rupee was charged, not according to the intrinsic value of the Bengal currency, compared with sterling money, nor according to any supposed reference to the balance of trade, but according to the value which the native merchants put upon the bullion received from Europe when exchanging it for the coin of the country, by which they exacted the difference before stated.

In the *fourth point*, it is stated that if the rates were conceded, the private trader, on mercantile principles, would be driven from the trade, and the privilege granted by Parliament become nugatory.

At present the private trader appears to possess some considerable advantages in the prosecution of his commerce with India, when contrasted with the situation of the Company in that respect. The private merchant is engaged in a trade of remittance, or very nearly so; his outward cargoes being, in general, but of inconsiderable value; his adventure, in fact, commences in India, and is carried on, generally speaking, by capital originating in India, and requiring remittance to England. The amount of his trade may be supposed to be regulated by the state of the European markets; and, in general, he has the prospect of realizing his returns in about 12 months from the purchase of the goods in India. If therefore under these circumstances he can obtain what he considers a fair mercantile profit on his commerce, he will continue it. And if, on an average of years, he should find that it does not produce him a fair mercantile profit, he may either diminish the amount of his trade or discontinue it altogether, according to his own views of the expediency of the case.

The Company's trade, in fact, commences in England, because the amount of that trade is regulated according to the Act of the 53d. By the sums paid in England for charges on account of India, and for goods sent there, and calculating from the purchase of the goods, and payment of the charges, to the realization of the home cargoes, the Company's returns, upon an average, cannot be effected at less than about two and a half or three years. The Company also are compelled to invest their funds in goods to the amount of the Indian charges paid in England, whatever may be the state of the European markets, because they have no other means of obtaining repayment of those charges but through the medium of their investment. But however the question of comparative advantage between the Company and the private trader may stand so far as regards the circumstances of their commerce, there can be no doubt that the rates used in the Company's accounts for exhibiting the state of their commerce, cannot influence the private trader, because the Company's rates can neither increase nor diminish the amount of his profits.

As to the *fifth point*, which relates to the effect the rates proposed would have on the political branch of the Company's affairs, the consideration of this question is involved in the observations hereafter stated respecting the importance of the change proposed to the future progress of the Company's affairs.

The *sixth point*, respecting any supposed claims of the Company's servants, requires but a very

a very few words. The alteration in the rates in the Company's accounts would have no influence on the metallic value of the India coins, in which the salaries of the Company's servants are paid, neither would such alteration have the least effect on the exchangeable value of those coins in India; and as long as the interest of the Indian debt shall be remitted at 2s. 6d. per sicca rupee, and the opportunity of remittance through the private merchant continues, the Company's servants, under those circumstances, would obtain for their Indian monies a rate in exchange precisely on the same principles as at present, without that rate being influenced by the statements in the Company's books or accounts.

The foregoing observations, in reply to the Board's objections to the adoption of the rates proposed, are submitted with much deference; and it now remains to advert to the importance of the reduction proposed in the rates of exchange as it respects the interest of the proprietors of East India stock.

By the late Act of the 53d, the dividends to the proprietors, in fact, depend upon the state of the Company's profit and loss accounts; in this view it matters not to what amount the sales may extend, if the result of those sales is not sufficient, after defraying all commercial charges, to produce a sum equal to the payment of the dividends. If, under the operation of the late Act, the private merchant should find that encouragement for extending his commercial transactions the advocates for throwing open the trade taught the British public to expect, there can be no doubt that, under those altered circumstances, the profit on the Company's Indian trade, if indeed any should appear while the present rates exist, would be so much reduced as hardly to deserve notice; in which case the Indian trade would be carried on merely to replace the outlay in England for Indian political charges, and for the cost of military and other stores, without adding anything to the items for providing for the proprietors the dividends on their stock. This is a consideration of great moment, because, in the case supposed, the proprietors could only look for their dividend to the profits of the China trade; in which, under the present circumstances of a general European and American peace, there is every reason to presume, some reduction will take place. There is no probability of any export trade in tea to the continent of Europe during peace; and there is reason to apprehend some reduction in the home consumption of tea, from the temptation the high duty on that article holds out to the contraband dealer. As there is no prospect of an increase in profit, on a decreased sale, in the case supposed, so, if to the reduction in the Indian profits should be added any considerable reduction in the China profits, a deficiency might soon occur in the accounts, and thus prevent a dividend being declared to the full extent of 10½ per cent. Any reduction of the dividend that can be justly avoided is much to be deprecated, because there is hardly even a supposable case in which, under the most favourable circumstances, the proprietors can expect an increase to the rate of 10½ per cent. in future years, so as to equalize any supposed reduction in that rate from the operation stated, Parliament having so completely appropriated the profits that there is no probable expectation of any profits so extensive as to offer such a reduction of the Home and Indian debts as would allow of any increase to the dividend within the term of the present Charter. So long as the Company's affairs proceeded on the principle of complete unity, in their character as merchants and sovereigns, it was of no very material importance, in respect to the payment of the dividend to the proprietors of East India stock, whether the rates used in the home accounts, for converting the Indian monies into sterling, were a little over or a little under their real comparative intrinsic values; because, upon an average of years, it was found that the rates used, though above their real values, produced a sufficient profit for all the purposes required under those circumstances. But since the separation made by Parliament in the character of the Company, as contradistinguished by the terms Commercial and Political, which separation affects the whole conduct of their affairs since the month of April 1814, it is of the utmost importance to the proprietors of East India stock that the whole of the Company's transactions, whether commercial or political, should be finally brought to account on accurate and just principles.

It is only from the use of the rates contended for that the Company can expect any increase, either to the amount of their Europe investments, or to the ultimate profit and loss on the whole of their trade, so as to counteract the probable decrease on those accounts as before stated; because there can be no expected increase to the Indian trade from an increase in the amount of political charges paid in England, or of military or other stores sent from England. So far as the political charges of India, &c. paid in England, are concerned, the Board feel an interest to prevent any increase on that account, with a view to general economy, and for the purpose of preventing the Political branch from becoming indebted to the Commercial branch of the Company's affairs; and so far as regards the goods exported for sale, the Court are equally interested in narrowly watching any increase on that account, as it is the net out-turn of those goods in India for which the Commercial branch will ultimately obtain credit, and not the mere invoice value of the goods. The rates proposed by the Court, if adopted, would be another motive for the greatest caution in the future exports, as the cost, when reduced into Indian currency, would be increased in the ratio of the reduction in the exchangeable value of the currency; therefore it would require a greater sale value to induce any increase in the consignments for sale in India.

Upon the whole, then, if there is good reason to expect that, on the before stated principles, the probable future scale of the Indian and China investments, combined with the operation of peace-charges, may exhibit an annual profit in the home accounts equal to the

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torial and Commer-
cial Branches.

In a letter from the Board of the 30th June 1814, it is stated as follows:

"The Board rely that the utmost attention be paid, that the indents from India for stores be limited to the annual demands of the service as far as prudent and practicable, so that expense be not incurred by a mere accumulation in the arsenals. Economy in the purchases is evidently an essential point of attention."

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cial Branches.

dividend and all charges, it may be presumed an object sufficiently important to justify another application to the Board, for the purpose of obtaining their sanction for the adoption of the rates proposed by the Court in all the Company's statements from the 30th April 1814.

East India House, April 1816.

(signed) *Joseph Thompson.*

LETTER from *T. P. Courtenay*, Esq. to *James Cobb*, Esq.; dated India Board,
15 August 1816.

Sir,

IN reference to your letter of the 17th ultimo, transmitting copy of a Report from the Committee of Correspondence, together with the Paper of Observations referred to therein, respecting the rates of exchange of Indian monies in account, I am directed by the Commissioners for the Affairs of India to inform you, for the further information of the Court of Directors, that after giving to the subject the most serious consideration, they do not think it expedient or proper to reverse the decision of the late Board, as communicated in my letter of 30th June 1814 and 3d August 1815.

I am, &c.

(signed) *T. P. Courtenay.*

LETTER from *Joseph Dart*, Esq. to *T. P. Courtenay*, Esq.; dated at the East
India House, 15 January 1824.

Sir,

THE alterations which have been made in the rate of exchange, at which bills are drawn on the Company in discharge of interest on the registered debt of India, as well as that at which bills are drawn in the Company's favour, in reimbursement of supplies to His Majesty's service, have directed the serious attention of the Court of Directors to the propriety of altering the rates of exchange observed in transactions between the Territorial and the Commercial branches of the Company's affairs; and I have the honour, by command of the Court, to request that you will submit to the consideration of the Board of Commissioners for the Affairs of India, the following observations and suggestions upon that important subject.

In the year 1814 the Board, in virtue of the authority vested in them by the Act of the 53 Geo. 3, c. 155, s. 64, directed, that in transactions between the Territorial and the Commercial departments the following rates of exchange should be observed; viz. 2 s. the current rupee; 8 s. the Pagoda, and 2 s. 3 d. the Bombay rupee.

To those rates the Court objected, and they proposed instead thereof that the Indian monies should be reduced into sterling in the Company's books at home, according to the intrinsic value of such monies, when compared with the mint price of the lawful currency of this kingdom, and that the sterling money of all supplies, &c. from England to India, should be reduced in the Indian books into the Indian monies, according to the same rate.

After much discussion, the Board, on the 15th of August 1816, apprised the Court that it was not thought expedient or proper to reverse the former decision.

It is not the intention of the Court now to contend for the particular principle then urged, but as the rate of exchange between England and India has materially varied since the last decision of the Board, and as the circumstances occasioning that variation have been deemed sufficient to justify and call for an alteration in other established rates, the Court are persuaded that the Board will concur in the propriety of bringing the subject again into discussion.

A main feature of the financial arrangements of the Act of 1813 was the separation of the Political from the Commercial accounts of the Company, but as sums were required in England to defray territorial charges, and sums were required in India to provide commercial investments, the Act directed that a sum equal to the actual payments in England on account of Territorial charges, (after deducting the amount of commercial expenditure in India,) should be generally set apart out of the Territorial revenue for the purpose of investment or remittance, at the option of the Court.

The payments in England being made in sterling, and those in India in sicca rupees, the question is, at what rate shall the currency of the one country be converted into the currency of the other?

Upon this question it appears to the Court that it was the obvious intention of the Legislature that sums paid from commercial funds in England for the territorial purposes of India, should be considered as so much remitted from England to India.

The Company, in its commercial character, disburses monies in England for the Company in its territorial character, and those monies being required in India for commercial purposes, the Territorial should repay to the Commercial Branch a sum equivalent to the disbursements in England.

But if in these transactions a higher value be affixed to the coin of India, relatively with that of England, than is justified by the mercantile exchange, it is clear that the Commercial branch instead of receiving the equivalent, sustains an actual loss arising out of its advances to the Territorial branch.

This is the present practical effect of the rates in use, the sicca rupee being valued at nearly 2 s. 4 d., whereas its worth in remittance from England to India since 1816, according to the best information which the Court have been able to obtain, has scarcely averaged 2 s., and does not at this time exceed 1 s. 9 d. The Court readily admit that if a demand had

had been made upon the market for a remittance to India to the extent of the sums advanced from the Commercial branch, the rate of exchange would to some extent have been thereby enhanced; but after making all reasonable allowance on that account, the Court are of opinion that taking the average since 1814, the Commercial branch has under the operation of the prescribed rates sustained a considerable loss, to which it is apprehended the Legislature had not the most distant idea of subjecting it.

It may also be observed, that by converting the invoice value of the Company's exports into the currency of India, at the rate prescribed by the existing Regulations, a fallacious view is given in the India books of the out-turn of the exports. Indeed, so long as those rates are continued, the Court submit that the annual result of the transactions of the Commercial branch, relatively with those of the Territorial, must be delusive, and thus the great object of Parliament in prescribing the separation of accounts is defeated.

But there is another ground upon which the Court conceive it to be of great importance that the accounts should be correctly stated.

The dividend of the Company is by law payable out of their commercial profits, and therefore it is unfair to the proprietors of India stock, and inconsistent with the law, that those profits, and consequently the capacity to pay the dividend, (without having recourse to the contingent means of a territorial surplus,) should be liable to be affected by an excessive valuation of the coin of India, in repayments from the Territorial to the Commercial branch.

But waiving all considerations of fairness and equity, there still appears no reason whatever for benefiting the Territorial funds by the continuance of these rates of exchange. The surplus of the Company's commercial profits is applicable only to the redemption of the bond debt at home, and the registered debt in India, and thus ultimately the Territorial Department would, in a regular course, derive the benefit which it now derives in the shape of exchange, whilst at the same time, by a correct computation of the rate of exchange, the actual results of the two branches under the separation prescribed by the Legislature would be more accurately ascertained.

Referring to the former discussion of this subject, the Board will observe that it was argued that practical inconvenience might result from departing from a standard of valuation which had existed for many years.

Whatever might at that time have been the force of this and of other objections which were then urged, the Court conceive that they have been removed by recent financial arrangements.

Previously to the last Charter Act, in the transactions between India and England, in which the Company were concerned, a high valuation was affixed to the rupee which could not have been justified except at times in which the balance of trade was considerably more in favour of India than it now is, or is likely again to be. The change of circumstances in the trade with India since 1813, has materially affected the mercantile exchange, and has also led to a necessary alteration in the rate observed by the Company, the value of the sicca rupee in the remittances of interest upon the debt of India having been reduced from 2 s. 6 d. to 2 s. 1 d., and a similar reduction having been recently agreed upon in the rate at which bills are drawn by King's officers in India, in repayment of advances made by the Company to His Majesty's service there.

Old established rates of exchange have therefore been departed from for reasons which are equally applicable to all questions of exchange or remittances between England and India; and with respect to any injurious tendency that might be anticipated from an official alteration in the valuation of the rupee, it is obvious that all inconvenience of that kind has been already sustained in the alteration in the exchange at which interest on the debt is remitted.

The Court trust that enough has been offered to show the propriety of a revision of the rates prescribed by the Board in 1814, and if it shall be admitted, as the Court think it must, that Parliament intended that the sums disbursed in England for the Territorial branch should be employed in India to commercial purposes, the inference would seem irresistible that those sums ought to be repaid in India at the rate at which they could have been remitted.

In accordance with these views, the Court beg leave to submit, for the consideration and approbation of the Board, that from and after the 1st of May 1823 the rate of exchange in repayments to the Commercial Department of sums disbursed in England for the Territorial Department, be governed by the actual ratio current between England and India; and that to prevent the confusion of repeated fluctuations, an arrangement be adopted upon a principle similar to that agreed upon for the supply of funds to His Majesty's service, viz. that the rate for each official year should be fixed (in reference to the actual rate) in the month of December, by the Court of Directors, subject to the approbation of the Board.

I have, &c.

(signed) J. Dart, Secretary.

LETTER from T. P. Courtenay, Esq. to J. Dart, Esq.; dated at the India Board,
18 February 1824.

Sir,

I AM directed by the Commissioners for the Affairs of India to acknowledge the receipt of your letter of the 15th instant, calling the attention of the Board to various observations and suggestions of the Court of Directors in reference to the rates of exchange observed in

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torial and Commer-
cial Branches.

transactions between the Territorial and Commercial branches of the affairs of the East India Company, and proposing that an alteration should be made in those rates from and after the 1st May 1823, in order to assimilate them to the actual mercantile rates current between England and India.

The Board conceive that the Company, in their commercial capacity, are justified in considering sums advanced annually from the commercial funds in England as an amount to be applied in India to commercial purposes, and that the conversion of these sums into the Indian monies should be effected at rates of exchange, by which the Commercial branch will not sustain a loss.

But if it is considered by the Court that the Legislature intended the repayments in India to be made at rates of conversion corresponding with the "mercantile exchange," or "at the rate at which they could have been remitted" to India, the Board direct me to observe that that rate was not proposed in the years 1814, 1815 and 1816, when the same subject was fully discussed. At that period a proposition of a very different nature, having reference to the intrinsic value of the precious metals, was brought forward. Whatever may be the average of the mercantile rates which have prevailed, the commerce of the Company enjoyed for several years the advantage arising from the difference in its favour of the medium rates adopted by the Board as compared with those rates; and it would seem scarcely reasonable that an alteration should now be made, because for a time the rates prescribed by the Board have become less favourable.

It appears to the Board, however, by no means clear that the mercantile exchange of the day describes the rate at which the sums in question could be remitted to India. The Court admit, that a demand upon the market for means for the remittance of those sums to India would, to some extent, have affected the exchange; but it may be fairly assumed, that the actual remittance from year to year through any other channel than the Territorial branch of funds to the extent of a million and a half sterling, and frequently of a much larger amount, must be effected on terms widely different from the rates of exchange that may exist between England and India.

From the accounts lately furnished of the present state of the Company's finances, both abroad and at home, it would appear unnecessary at present to enter into the question of the security of their dividends.

The Board cannot coincide with the views of the Court in considering the question of exchange as one comparatively unimportant, on reference to the final appropriation of the surplus commercial profits of the Company, since the same argument would go to release the Board and the Court from that strict attention to the separation of the Territorial and Commercial Accounts, which, as adverted to by the Court, the Legislature has clearly prescribed in reference to the present relation of the Company to the Territory.

Upon the whole view of the subject, the Board do not discover in the observations of the Court sufficient ground to induce them to concur in the proposition contained in your letter.

I have, &c.

(signed) T. P. Courtenay.

LETTER from Joseph Dart, Esq. to T. P. Courtenay, Esq.; dated East India House, 18 March 1824.

Sir,

I HAVE laid before the Court of Directors of the East India Company your letter, dated the 18th ultimo, and I am commanded to address to you their concern at the intimation which it conveys, that the Board of Commissioners for the Affairs of India do not discover sufficient ground to induce them to concur in the proposition contained in my letter of the 15th January last, viz. that from and after the 1st of May 1823, the rate of exchange in repayments to the Commercial Department of sums disbursed in England for the Territorial Department, be governed by the actual rate current between England and India, and that to prevent the confusion of repeated fluctuations, an arrangement be adopted upon a principle similar to that agreed upon for a supply of funds for His Majesty's service, viz. that the rate for each official year should be fixed (in reference to the actual rate) in the month of December by the Court of Directors, subject to the approbation of the Board." The Court remark, however, with much satisfaction, that the Board have recognized the principle, "that the Company in their commercial capacity are justified in considering sums advanced annually from the commercial funds in England, as an amount to be applied in India to commercial purposes, and that the conversion of these sums into the Indian monies should be effected at rates of exchange by which the Commercial branch will not sustain a loss;" and as a just application of that principle is the utmost for which the Court have any desire to contend, they persuade themselves, that although the Board do not concur in the specific proposal which has been submitted to them, yet that an arrangement may be adopted, founded upon the principle in which the Board and the Court are agreed.

It is observed in your letter, that "whatever may be the average of the mercantile rates which have prevailed, the commerce of the Company enjoyed for several years the advantage arising from the difference in its favour of the medium rates adopted by the Board, as compared with those rates, and it would seem scarcely reasonable that an alteration should now be made, because for a time the rates prescribed by the Board have become less favourable." The Court admit, that in some of the years which have elapsed since 1814, the rates pre-

scribed

scribed by the Board operated beneficially on the Commercial branch; in other of those years, however, the effect was the reverse; such fluctuations were the natural result of a fixed rate of exchange, computed upon the principle of its being the medium between the maximum and the minimum of the actual rates contemplated at the time of fixing it. The practical effect, therefore, of the arrangement prescribed by the Board cannot be fully ascertained by an examination of the accounts of any particular year or years, but can only be correctly known by an average of the accounts of several years, and from the best information which the Court have been enabled to obtain, they are fortified in the conviction expressed in my letter of the 15th of January, "that taking the average since 1814, the Commercial branch has, under the operation of the prescribed rates, sustained a considerable loss."

But even were the fact assumed by the Board correct as respected not only one or more years, but the whole period since 1814, the Court must still be permitted to differ from the Board in their inference, "that it would seem scarcely reasonable that an alteration should now be made, because for a time the rates prescribed by the Board have become unfavourable."

If experience has shown that the prescribed rates have led to incorrect results, the propriety of revising them cannot surely be made to depend upon the effects which an erroneous practice may have had upon either the Territorial or the Commercial branch. Those effects might possibly call for a revision of the accounts retrospectively, but could never justify the continuance of an incorrect system.

But further, if since the system was adopted, circumstances affecting the exchange between England and India have materially varied, it will hardly be contended that because a rate of exchange fixed under other circumstances has had a particular effect at a particular period, no alteration should be made in that rate to adapt it to the altered state of things.

Such an argument would be quite inconsistent with the proceedings of the Board and the Court, in adapting to the present state of the exchange the rates observed in the reimbursement of funds supplied for His Majesty's service in India, and in the remittance of interest on the registered debt.

Suppose that in the discussion regarding the supply of funds for His Majesty's service, when, in consequence of the fall of the exchange, it was proposed by His Majesty's Government that a reduction should take place in the rate of exchange at which bills were drawn in repayment of advances made in India, the Court had objected, (and the objection would have been perfectly consistent with the fact), upon the ground that in one or more of the years since the former arrangement was adopted, the Government had benefited at the expense of the Company, would the objection for an instant have been admitted? But far from urging such an objection, the Court at once felt the propriety of a revision of the arrangement, and consented that the advances should be repaid at a rate to be annually fixed in reference to the current rate.

The Court apprehend that it has escaped the Board's notice, that when the rates in question were prescribed professedly as medium rates, the actual rate had fluctuated between 2 s. 9 d. and 2 s. 3 d. the sicca rupee; that the fluctuation for a considerable time past has been between 2 s. 1 d. and 1 s. 9 d.; and consequently, that the prescribed rate of 2 s. the current rupee, being upwards of 2 s. 3 d. the sicca rupee, has ceased to be a medium rate. Hence it is clear, that should the Board determine still to preserve the principle of a medium rate, an alteration in the amount of the rate is indispensably necessary.

The Board observe, that it is "by no means clear that the mercantile exchange of the day describes the rate at which the sums in question could be remitted to India. The Court admit that a demand upon the market for means for the remittance of those sums to India would, to some extent, have affected the exchange; but it may be fairly assumed that the actual remittance from year to year through any other channel than the Territorial branch, of funds to the extent of a million and a half sterling, and frequently of a much larger amount, must be effected on terms widely different from the rates of exchange that may exist between England and India."

Upon this observation the Court remark, first, that it relates not to the principle of their proposal, but to the degree in which it should be applied; and secondly, that if the transaction were solely one of commerce, it must be admitted that the augmented demand for remittance would materially affect the market rate; but it has possibly not occurred to the Board that the Territory requires a remittance to England from India to the extent that the Commerce requires a remittance from England to India, and therefore that the effect upon the market would be nearly balanced.

Let it be supposed that the Territorial and Commercial branches were entirely unconnected. In that case the Territorial would remit, through private channels or by a consignment of bullion, the funds required for disbursement in England, and the Commercial branch would adopt the same mode of providing such funds as might be required for commercial purposes in India beyond the proceeds of exports. If the amount remitted by the Territorial branch to England were the same as that remitted by the Commercial branch to India, (and this is practically the effect of the existing arrangement), there would be no variation in the balance between the countries, and consequently the operation would not materially, if at all, affect the market rate of exchange.

The Board further observe, from "the present state of the Company's finances both abroad and at home, it would appear unnecessary at present to enter into the question of the security of their dividends;" but if, as the Court apprehend to be the case, the funds from which the dividend is by law payable are subjected to loss by the observance of an

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torial and Commer-
cial Branches.

arbitrary and erroneous rate of exchange, the present capacity of those funds to pay the dividend, notwithstanding such loss, cannot possibly afford any argument why the error should not be corrected, and the proprietors of East India stock possess the full amount of security intended for them by Parliament.

Upon the concluding observation of your letter I am instructed to state, that the Board are under a misapprehension in supposing that the Court consider "the question of exchange as one comparatively unimportant in reference to the final appropriation of the surplus commercial profits of the Company;" or that they have any wish to depart from strict attention to the separation of accounts prescribed by the Legislature. On the contrary, the object of the Court in this discussion is to impress the Board with the importance of the question of exchange, and to persuade them to admit of the correction of an erroneous system; and in adverting to the final appropriation of the commercial profits of the Company, the Court's intention was merely to show that the correction of that system would not ultimately affect the Territorial branch; or, in the words used in my letter of the 15th of January last, that "the Territorial Department would, in a regular course, derive the benefit which it now derives in the shape of exchange;" and further, that by a correct computation of the rate of exchange, the actual results of the two branches, under the separation which Parliament has directed, would be more accurately ascertained.

After the most deliberate attention which the Court have been enabled to pay to this subject, they are strongly confirmed in the propriety of the alteration which they have proposed in the rate of exchange observed in transactions between the Territorial and Commercial Departments. They trust that the statements now offered will remove the objections urged in your letter to that proposal; and that upon re-consideration the Board will consent to the adoption of it. At the same time, should the Board be of opinion that the Commercial branch may be secured from loss in these transactions in a mode less objectionable to the Board than that which has been suggested, the Court trust that they shall be favoured with a communication explanatory of the Board's sentiments to that effect.

I have, &c.

(signed) J. Dart, Secretary.

LETTER from T. P. Courtenay, Esq. to J. Dart, Esq.; dated India Board,
6 August 1824.

Sir,

I AM directed by the Board of Commissioners for the Affairs of India to acknowledge the receipt of your letter dated 18th March last, relative to the rate of exchange for the conversion of the Indian monies into sterling in the accounts between the Territorial and Commercial Departments, in reply to my letter of 18th February last, which stated that the Board did not discover sufficient ground to induce them to concur in the proposition of the Court.

On reference to former proceedings, it will be seen that this subject has been repeatedly and maturely considered by successive Boards. The attention of the Court was first drawn to the question of exchange between the two departments in the observations upon the proposed plan for the separation of the accounts of the Company during the period of the new arrangement then about to commence, which accompanied my letter of the 24th February 1814. The Court proposed, on the 4th June following, the adoption of the intrinsic value in bullion of the Indian monies in *all* the accounts and statements required by the Act. The decision of the Board was communicated by my letter to Mr. Cobb, dated 30th June 1814, that the rates of exchange should be definitively fixed at 2s. the current rupee, 8s. the pagoda, and 2s. 3d. the Bombay rupee; and that they should not be left to be governed by the fluctuations of the times, which decision became part of the amended plan prepared agreeably to the 64th section of the Act.

A further representation on this subject was made by the Court in the letter from Mr. Cobb, dated 16th May 1815; but the Board thought fit to confirm their former decision by my letter to Mr. Cobb, dated 3d August following.

Upon the appointment of a new Board application was again made by the Court, by Mr. Dart's letter of 17th July 1816, for a revision of the Board's determination.

My reply, dated the 15th August 1816, stated that the Board "did not think it expedient or proper to reverse the decision of the late Board."

I am directed by the Board to acquaint you, for the information of the Court, that after the most mature deliberation upon the proposition now made by the Court for adopting rates governed by the mercantile exchange of the day, they are decidedly of opinion that no alteration should take place in the rates of exchange established at the commencement of the present arrangement with the Company, and contained in the amended plan for the separation of their Territorial and Commercial accounts, which accompanied my letter of 30th June 1814.

I am, &c.

(signed) Thomas P. Courtenay.

LETTER from *J. Dart*, Esq. to *T. P. Courtenay*, Esq.; dated East India House,
14 October 1824.

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torial and Commer-
cial Branches.

Sir,

IN reference to your letter of the 6th August, stating, in reply to that which by command of the Court of Directors of the East India Company I had the honour to address to you on the 18th March last, that the Board of Commissioners for the Affairs of India are decidedly of opinion that no alteration should take place in the rates of exchange established at the commencement of the present arrangement with the Company, and contained in the amended plan for the separation of their Territorial and Commercial accounts, which was approved by the Board on the 30th June 1814. I am commanded to transmit to you, for the purpose of being laid before the Board, a Minute of the Court, containing a formal Protest, which on the 25th August last they unanimously resolved to record against the decisions passed by the Board on this subject, and to which all the Directors have subscribed their names, with the exception of the Honourable William Fullarton Elphinstone, who has for some time been prevented by severe indisposition from attending the meetings of the Court.

I have, &c.

(signed) *J. Dart*, Secretary.

Mem.—Copy of the Protest of the Court, referred to in the foregoing letter, has been printed in the Appendix to the First Report of the Select Committee of 1830, No. III. p. 98.

Extract LETTER from the Right hon. Lord *Ellenborough* to the Chairman and Deputy Chairman of the East India Company; dated India Board, 13 October 1829.

YOU observe that every depression in the rate of exchange must necessarily augment the cost to the Company in realizing in England the sum expended on the Territorial account. Undoubtedly it would have that effect if the remittances of the Company were made in bills; but those remittances being made in goods, they are not directly affected by the rate of exchange, although that rate will probably on an average of years so far correspond with the profit to be realized by remittances as to mark in some measure by its variations the changes which may occur in the amount of that profit.

Until the year 1818–19 the remittance made by the Company in goods was more favourable than that made by means of bills; and in three out of the 10 years since 1819–20 it has likewise been more favourable. Taking the average of the whole period, the articles through which the remittance has principally been effected, namely, raw silk and indigo, have realised a rate exceeding that realised by bills.

Until 1819–20 the rupee remitted directly from India in goods produced more to the Commercial branch than had been advanced by it for the Territorial branch, according to the rate of exchange between the two branches of your accounts fixed by the Board in 1813–14. And here I must observe, that in speaking of loss or profit on remittance from India, you always speak as if the whole of that remittance were made directly in goods from that country, throwing out of consideration the sums, now, indeed, small in amount, which are at a rate of exchange fixed every year, repaid to the Company by the King's Government in England for advances made for the King's service in India, and further neglecting to advert to the circumstance that a very large portion of that remittance, calculated by you at one million a year, is made through China, and comes to this country with all the large and certain profit secured to the Company by the monopoly of the China trade. If at the commencement of the present Charter, two crore and 40 lacs of rupees would produce 3,000,000 *l.*, the exchange fixed by the Board must at that time have been extremely favourable to the Commercial branch*; and while bullion can be remitted by the Company at a charge of five per cent, and by individuals at a charge of eight per cent.†, and while a remittance in bullion at the latter rate is less favourable than a remittance in bills, I cannot allow that it could be fairly assumed in argument, that a disbursement in India of three crores and a half of rupees is now required to effect a remittance of 3,000,000 *l.*, even were it necessary, as it is not, to make the whole remittance directly from India.

Extract LETTER from the Chairman and Deputy Chairman of the East India Company to the Right hon. Lord *Ellenborough*; dated East India House, 12 November 1829.

THE Court cannot close this letter without remarking upon the statements and observations which your Lordship has incidentally made respecting the effect of the rates of exchange prescribed by the Board as a part of the plan for the separation of the Territorial and Commercial branches of the Company's affairs, and against which the Court have frequently and earnestly remonstrated.

The object of Parliament in directing the separation was, that the financial results of the Territory and the Trade might be distinctly and accurately exhibited, but this object is altogether defeated by the use of the arbitrary and erroneous rates of exchange.

Advances are made for the use of the Territory out of the Commercial funds in England, which advances are by law repayable in India, to be there used by the Commercial branch as the Court may direct; but by the observance of the Board's rates a portion only of the sums

* Profit in India on a payment of three millions, 18,62,068 rupees.

† A remittance of 3½ crores, at a charge of 8 per cent, would produce 3,295,938*l.*

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torial and Commer-
cial Branches.

sums advanced is repaid. An example shall be given which will show to your Lordship how the system works.

The Company pay annually to the King's Government 60,000*l.* for half-pay and pensions of His Majesty's forces serving in India, which sum is by law chargeable on the Territorial revenues.

The said sum of 60,000*l.* is paid in the first instance out of the Company's Commercial funds in London, and the Indian Territory repays it with the sum of 5,17,241 sicca rupees, that being the amount in the currency of India, at the rate prescribed by the Board, of 2*s.* the current rupee, calculated at 16 per cent. less than the sicca rupee. The sum of 5,17,241 sicca rupees if remitted to England would produce, at the rate of 1*s.* 9.07*d.* per rupee, (that being the average of the aggregate of the Company's remittances from India, whether by goods, bullion or government bills, in the last three years,) 45,409*l.*, thereby occasioning a positive loss to the Commercial funds upon this transaction of 14,590*l.* Hence it is clear, that where the law has provided for the charge upon the Territory of 60,000*l.* per annum, the Territory pays no more than 45,409*l.*, and that the Commercial branch is made to pay the difference.

We earnestly invite your Lordship's attention to this part of the subject, with the view to the correction of a system so opposed to sound principle and to the spirit of Parliamentary enactments. It matters not, in the Court's judgment, whether the practice has at particular periods been favourable to the Territorial or to the Commercial branch: the rates have been, and are untrue, either as medium or as actual rates; and therefore the Court submit, that it is due to both branches of the Company's affairs, and to Parliament, that the error should be corrected and the accounts readjusted upon sound principles for the whole period since the separation took place.

Extract LETTER from the Right hon. Lord *Ellenborough* to the Chairman and Deputy Chairman of the East India Company; dated India Board, 8 January 1830.

I HAVE the honour to acknowledge the receipt of your letter of the 12th November last, in which you advert to the fixed rate of exchange observed in the accounts between the Territorial and Commercial branches of the Company's affairs, and propose that what you consider the error in that rate of exchange should be corrected, and the accounts readjusted upon sound principles for the whole period since the separation between them took place.

Before I advert to the proposition with which your letter concludes, I must notice the incorrectness of the example adduced by you to show the working of the system you desire to change.

You suppose the sum of 60,000*l.* paid from Commercial funds in England on the Territorial account, to be repaid in India with 5,17,241 sicca rupees, at the fixed exchange of 2*s.* the current rupee, and these rupees to produce when remitted to England no more than 45,409*l.*, thereby occasioning a positive loss to the Commercial funds upon this transaction of 14,591*l.*; but I am again obliged to call to your recollection, that in calculating the outturn of the rupee remitted from India, you still overlook the fact, that about two-fifths of your remittances from India have been made through China, with all the profit secured to the Company by the monopoly of that trade.

Three-fifths of the 5,17,241 rupees which are by the supposition received in India would, according to your calculation, founded upon the average aggregate remittance direct from India during the last three years, produce only 27,246*l.*, but the remaining two-fifths remitted through China would, at the average rate at which bills have been drawn from Canton upon the several Indian governments during the same period, produce 35,574*l.*, and these sums would together make 62,820*l.*, thereby occasioning a positive gain to the Commercial funds by this transaction of 2,820*l.*

In July 1823 the Court proposed that after the 1st May in that year a new rate of exchange should be adopted between the Territorial and Commercial Departments. You now go further, and propose that the accounts between the two departments should be readjusted on "sound principles" from 1814; but even were the Board disposed to consider such an arrangement, which would commence by unsettling the accounts for more than 15 years, there would surely be not a little difficulty in determining what were the "sound principles" upon which they ought to be readjusted.

In 1814 it was the opinion of the Court, that the sound principle was to be found in the conversion of the currencies of India and of England into each other, according to their intrinsic value, at the price of the London Mint.

In 1823 the Court no longer contended for that principle, but discovered an "irresistible inference" that the sums advanced in England ought to be repaid in India at the rate at which they could have been remitted; yet at the same time seeing the "confusion of repeated fluctuations" to which such an arrangement would lead, they suggested, as a corrective, that the rate of exchange for each official year should be fixed in the month of December.

The established rate of exchange exhibits the revenues and charges of India as they have been represented to Parliament for 41 years; and it is not at the moment when the whole state of your affairs is coming under the consideration of the Legislature, and within a few years of the expiration of the Charter, that I should consider myself justified in departing from the principle adhered to by all my predecessors; unless you should be able to show, that under the present circumstances of your trade the practical working of the existing system produces effects to which it has not led at former periods, and which are not in accordance with the clear intention of the Legislature.

Extract LETTER from the Chairman and Deputy Chairman of the East India Company, to the Right hon. Lord *Ellenborough*; dated 11 February 1830.

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torial and Commer-
cial Branches.

WE have had the honour to receive and to lay before the Court of Directors of the East India Company your Lordship's letter of the 8th ultimo.

Upon the subject of the rates of exchange, which the Board directed to be observed "as part of the plan for the separation of the Territorial and Commercial branches of the Company's affairs," your Lordship is pleased to express a disposition to revise these rates, if it can be shown that "the practical working of the existing system produces effects to which it has not led at former periods," and which are not in accordance with the clear intentions of the Legislature.

The Court beg leave to observe, that if the rates in question had been computed upon any principle which the Court could have considered sound and accurate, they most assuredly would not at any time have remonstrated against the use of them, whatever might have been the financial exigency of the Commercial branch.

In urging so repeatedly an alteration of the rates, the Court have been mainly influenced by the conviction which they still feel, that so long as the rates now in use continue to be observed, the Act of the Legislature, which requires the Court to place before Parliament the real situation of the Company's affairs in the separate departments of Territory and Trade, must be defeated.

The necessity for a revision of this subject has of late years indeed become the more imperative, in consequence of the serious and progressive reduction of the net proceeds of the Company's sales, arising out of the general depreciation of every kind of produce.

In the first five years of the present system of accounts, there remained, after paying all charges, including the dividend to the proprietors, an average commercial surplus of 777,441 *l.* per annum. In the two succeeding periods of five years, the averages of the surplus were 409,090 *l.* and 269,447 *l.* respectively; and in the last year of the latter period the surplus was no more than 62,895 *l.*

Such results are, however, arrived at after using the rates prescribed by the Board, and as those rates far exceed the mercantile exchange, the apparent surplus is much less than it has usually been. Your Lordship is aware that the Court are advised by their late standing Counsel, that they are not legally required to observe the Board's rates in their accounts sales; but that such accounts may be made up at the mercantile exchange. The effect of this alteration will be, that the apparent will correspond with the real amount of sale proceeds; and which, in that case, there can be little doubt will still leave a considerable surplus after satisfying all commercial obligations.

The Court are fully aware that the observance of different rates in the accounts between the Territory and Commerce, and in the accounts sales, will cause a discrepancy which it would be very desirable to avoid; and the Court trust, that in the statement which they have now made of the falling off of the Company's commercial profits, and of the necessity of observing, in the computation of those profits, correct rates of exchange, instead of those prescribed by the Board, your Lordship will see ground for allowing such an alteration as will do justice to the Commercial branch, by securing it from loss in its transactions as agent for the Territorial branch.

The Court cannot admit the charge of inconsistency implied in your Lordship's letter. True it is that their proposal in 1814 had reference to the *bullion* value of the coins, and that of 1823 to their *exchangeable* value; but the former proposal contemplated a *permanent* rate, whilst the object of the latter was a rate to be *annually* settled; besides which, your Lordship will perceive, on referring to the correspondence, that the Court maintained their first proposal until it received the Board's final rejection; and that the second proposal was subsequent on the Board's own proceedings, in sanctioning an alteration in the old rates of exchange as applicable to His Majesty's Government, in their accounts with the Company, after they had themselves assigned the observance of the old rates in those accounts as one of the grounds for rejecting the Court's first proposal.

Neither do the Court partake of the apprehension which your Lordship expresses, that there would be difficulty in determining upon a sound principle for the adjustment of this question; and they think that by referring to the last plan for the supply of funds for the King's service in India, adopted in communication with the Board, your Lordship will discover an apt precedent in the words used by the Lords of His Majesty's Treasury as the ground of the alteration then made, viz. "That the public may derive the full benefit of the actual rate of exchange."

The Court cannot but hope that your Lordship will settle the present question, by extending that principle to the transactions between the Territorial and Commercial branches of the Company's affairs.

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CORRESPONDENCE, &c. relative to the CHARGE of INTEREST on the BALANCE
due from the TERRITORIAL to the COMMERCIAL BRANCH of the EAST INDIA
COMPANY'S AFFAIRS.

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CORRESPONDENCE, &c.

Extract REPORT of a Joint Committee of Treasury and Accounts of the Court of Directors of the East India Company; dated 23d January 1818.

TWO articles are introduced in these accounts which the Committee deem necessary to discuss at some length. The first is, the charge of interest on the balance due from the Territorial branch of the Company's affairs to the Commercial branch.

The Act of the 53d directed that the transactions respectively of the Territory and Commerce should thereafter be kept distinct; and by the 56th section, it was provided that a sum equal to the payments from the Commercial funds at home on account of Territorial charges should be annually applied in India to investment, or remittance to England.

The balance of payments at the close of the year 1814-15, after giving credit to India for the net advances to the Commercial department, was 711,560 *l.* against the Territory; and at the close of the year 1815-16 the balance was increased to 775,721 *l.* Indian interest, at the rate of 6 per cent., has been charged and added to the Commercial profit. This charge against the Territory for interest on the balance the Committee deem to be correct; and as the balance is a debt repayable in India, the Committee think it proper also that the Indian rate of interest be charged.

Extract LETTER from *Thomas Peregrine Courtenay, Esq.* to *James Cobb, Esq.*;
dated 17th February 1818.

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2d. THE interest on the balance due from the Territorial branch at the close of the years 1814-15 and 1815-16, not invested for consignment to England, conformably to the provisions of the Act of the 53 Geo. 3. The principle of the charge has not yet been submitted to the Board. The Board desire that an account may be forthwith prepared, exhibiting in detail the manner in which the alleged balance in each year was produced, and the grounds upon which interest thereon is proposed to be charged by the Commercial to the Territorial department.

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Extract LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.*;
dated 12th August 1818.

THE accounts exhibiting in detail the manner in which the balance due from the Territorial branch is produced, are herewith transmitted (No. 1.) The grounds upon which interest is proposed to be charged by the Commercial to the Territorial department are chiefly as follows:

Vide Appendix 5 to
Appendix 19.

The Act of the 53d directed a separation of the accounts of the East India Company into the two branches of Territory and Commerce. An exposition of this Act was transmitted to India in a despatch from the Public department, dated 6th September 1813.

The 18th paragraph of this letter states, that "we (the Court) cannot more distinctly explain our views of the sections of the Act which have now been brought under notice, (namely, the 55th and 56th sections), than by observing, that although the management of the whole, as one concern, remains with us, it is requisite that the Political branch should be considered as an affair of Government, the Commercial as that of a mercantile transaction, and by debiting and crediting in account the transactions between them in advances and supplies as if they were absolutely distinct and separate concerns; so that accounts of receipt, expenditure and balance may be duly rendered by each respectively in the way required by Parliament."

It will be observed, that in this despatch the Commercial branch of the Company's affairs is directed to be considered in the light of a mercantile transaction. The Court apprehend that the charge for interest on any balance resulting from such transaction is in strict conformity with the mercantile principle. The Board itself has, in fact, recognised the application of this principle in the approbation of certain paragraphs contained in a Commercial despatch to Bombay, under date the 9th April 1817.

In that despatch the Bombay government was instructed as to the mode of stating the accounts respectively between the Territorial and the Commercial departments; the 7th paragraph of which is as follows:

"We also desire that the charge for interest (interest contained in invoices from Europe) be omitted; for although in the adjustment of payments between the Commercial and Political branches, the charge for interest will justly attach on the balance of those payments, yet this charge must be founded on a general balance of the disbursements respectively made at all the presidencies of India as well as from our home treasury."

The Court are of opinion also, that the charge for interest, and the rate of that interest, may be upheld by another consideration.

By the 56th section of the 53d it is provided, that a sum equal to the payments from the Commercial funds at home, on account of Territorial charges, should be annually applied in India to investment or remittance to England.

In the transactions of the years 1814-15 and 1815-16, the Territory has not fulfilled these directions; a large balance is due to the Commerce, and to the extent of that balance has the Territorial branch been saved the necessity of borrowing money in India.

It must also be recollected that the competency of the Indian governments to repay the advances made from the Commercial branch has been, and may again be, materially circumscribed by the disbursements of those governments on account of His Majesty's service. These disbursements carry interest, for which interest the Territory obtains credit; and if the balance due to the Commercial branch did not bear interest, that branch would suffer at a time when funds of a sufficient magnitude to liquidate its demands on the Territory were running at an Indian interest on the public account.

Extract PAPER of OBSERVATIONS which accompanied Mr. *Courtenay's* Letter
to Mr. *Dart*, dated 30th April 1823.

ACCOUNT No. 1, contains another item which the Board cannot admit without question; this is the charge for "interest on the balance of the account current between the Territorial and Commercial branches." In carrying into execution the 64th section of the Act of 1813, the Board have not, as yet, admitted a charge of this nature; but whatever may be ultimately arranged respecting it, the charge is obviously inadmissible in its present form, among *payments actually made*, and itself subject with them to the charge for interest, so that interest upon interest is claimed.

The rate at which interest is charged, being the Indian rate upon advances made in England, is equally objectionable.

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Extract LETTER from *Joseph Dart, Esq.* to *Thomas P. Courtenay, Esq.*;
dated East India House, 18th September 1823.

Objections of the Board:

THE Board object to the charge for interest on the balance of the account current between the Territorial and Commercial branches, as not yet admitted in carrying into execution the 64th section of the Act of 1813, obviously inadmissible in its present form, among *payments actually made*, and subject with them to the charge of interest, so that interest upon interest is claimed. The Indian rate upon advances made in England is equally objectionable.

Observations of the Court in reply thereto:

IN a letter addressed to the Board by order of the Court, and dated the 12th August 1818, the question of interest upon the balance due from the Territory to the Commerce, and the rate of such interest, was very fully discussed; and as, during a period of five years, no refutation of the argument used in that letter has been urged, the court concluded that the Board admitted their validity: to that letter the Court beg leave to refer the Board on the present occasion. With respect to the Board's objection that this charge is inadmissible among *payments actually made*, the Court reply, that the mode of stating the account is in strict conformity with the mercantile usage; for as, by the 56th section of the Act of the 53d, the account of Territorial charges must be taken to be adjusted annually; and moreover, as it has not been denied that interest is fairly chargeable upon the balance of the account, if this interest is not discharged when due, it becomes to all intents and purposes a further loan, and necessarily augments the principal of the debt.

LETTER from *Thomas Peregrine Courtenay, Esq.* to *Joseph Dart, Esq.*;
dated India Board, 15th March 1824.

Sir,

ACCORDING to the intimation contained in the observations which accompanied my letter of 1st December last, I am directed by the Commissioners for the Affairs of India to reply to that part of your letter of the 12th August 1818 which relates to the charge of interest on the balance due by the Territorial to the Commercial branch of the affairs of the East India Company.

Although, according to the letter of the Act of the 53d of the late King, c. 155, no provision is made for the liquidation by the Territory in subsequent years of any deficiency in the annual repayment of Territorial charges defrayed in England, the Board, in reference to the spirit of the Act, have no hesitation in admitting the claim of the Commercial branch to the eventual repayment of such charges, and have accordingly sanctioned observations to that effect in the Court's despatches to their Indian governments.

On similar grounds the Board will not object to the charge of interest due, either to the Commerce or to the Territory, provided that it is calculated on such principles, and at such rate, as they can approve.

The rate adopted by the Court is the Indian rate of 6 per cent., but the Board conceive that, in reference to advances made in this country, the English rate of interest is the only one applicable to the case, and that which accords with the mercantile principle contended for by the Court. If the Company have been put to any expense for the provision of the necessary funds, that expense must have been incurred in England, and cannot have been affected by any saving that may be supposed to accrue to the finances in India, as argued in your letter; neither would it be equitable that the Territory should be placed in a more unfavourable situation than if that branch had actually borrowed money in this country for the liquidation of demands here chargeable upon it.

A question will next arise as to the rate to be adopted as the English rate. Taking into consideration the terms upon which money has been raised in the market for several years past, the Board are of opinion that the maximum rate of 5 per cent. could not be admitted, but they would not object to acquiesce in the rate of interest which has been allowed by the Company at the corresponding periods upon their bond debt in England.

They cannot, however, admit the principle adopted by the Court, whereby compound interest is charged; compound interest was not allowed to the Company in the account with His Majesty's Government, neither would it be admissible in private mercantile transactions.

The Board conceive, therefore, that simple interest should be calculated in a separate account, in the manner adopted with regard to the account with Government, as contained in the Appendix to the Reports of the Committees of the House of Commons in 1805 and 1808.

In the observations which accompanied my letter of 30th April last, as well as in my letter of 23d April and 7th May last, relative to the Territorial finance draft to Bengal, No. 232, an objection was made to the admission of such a charge as that now under discussion among *payments actually made* on account of the Territory; and the Board continue to be of opinion, that whenever the charge is introduced, either in the Company's accounts,

accounts, or in despatches to the Indian governments, it should be confined to the general account between the Territorial and Commercial branches. The Board's objection will thus be obviated, and the principle contended for by the Court effectually preserved.

I have, &c.
(signed) *Tho. Per. Courtenay.*

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LETTER from *Joseph Dart, Esq.* to *Thomas Peregrine Courtenay, Esq.*;
dated East India House, 25th March 1824.

Sir,

I AM commanded to acknowledge your letter of the 15th instant, containing the Board's observations on the charge of interest on the balance due by the Territorial to the Commercial branch of the affairs of the East India Company.

Previously, however, to observing upon the principal object of your letter, the Court deem it proper to advert to that part of it which incidentally alludes to the absence of a provision in the Act of the 53d of His late Majesty for liquidation by the Territory, in subsequent years, of any deficiency in the annual repayment of Territorial charges defrayed in England.

It appears to the Court, from the preamble of the 56th section of that Act, that the main object of that section was to protect the Commercial funds of the Company from embarrassment; and, in view to that object, the direction for annual repayment of Territorial charges is plain and positive. If, therefore, from any cause, one possibly of great accommodation to the Territory, the annual payment has not been fully made, the Court conceive that the liquidation of the arrear cannot become matter of doubt, without frustrating the palpable intention of the Act.

With respect to the main subject of your letter, as the Board sanction the charge for interest on the balance of the account between the Territory and the Commerce, it is unnecessary to advert to that point. But the rate of interest, and the mode of calculation, introduced into the accounts transmitted by the Court, are objected to. The Court, therefore, will shortly state the reasons which influenced them in adopting the mode of calculating the interest comprehended in those accounts.

It appeared to the Court, that as, by the 56th section of the Act, the repayment of Territorial charges was to be made *annually in India*; if for the advantage of the Territory the demand was forborne, the Commercial branch should be regarded as a lender of so much capital in India, and became entitled to the ordinary remuneration for its use. The finances of India, on various occasions since 1814, have derived considerable advantage from the use of this Commercial fund. In the absence of that fund the Indian governments would at times have been constrained to borrow to a much larger extent, and at a higher rate of interest than has been charged in the accounts with the Commerce. In the year 1818, indeed, when a considerable sum was due to the Commerce, the Indian government raised money for the public service, paying an interest, in effect, of more than 13 per cent. for the first year.

Nor has the allowance of six per cent. interest been an adequate recompence to the Commerce. In more than one instance have the advantages for investment been suspended at a time when Indian imports met a ready and profitable sale in England.

In 1815-16, also, the Court were constrained to supply the Canton Treasury with bullion from England, at high prices, and consequent great sacrifice, when a large debt was owing by the Territory to the Commerce.

The Board observe, that it would not be equitable to place the Territory in a more unfavourable situation than if that branch had borrowed money in England. This alternative, however, could not have been adopted, without a special legal provision; and the Court's arguments are grounded on the law as it at present exists.

With respect to compound interest, the Court, in their letter of the 18th September last, have in effect contended, that upon the adjustment of an account in which, amongst other things, interest is charged, if the balance be not liquidated, the interest contained in that balance will form a portion of a new debt, and thus constitute capital on which interest will be chargeable on a subsequent adjustment. This practice is constantly admitted in private mercantile transactions in this country, nor is it opposed to the practice of India itself, as will appear by reference to a Bengal Regulation of 1793, (No. XV. s. 7,) in which compound interest is distinctly recognised.

The Board have adduced the example of the Government accounts as adverse to the principle of compound interest; alleging, that in their view, simple interest should be charged in the manner adopted with regard to the account with Government, as contained in the Appendix to the Reports of the Committee of the House of Commons in 1805 and 1808. But it cannot have escaped the Board's recollection, that upon the final adjustment of the Government account in 1822, it was contended, on the part of the Crown, with the view to abate the Company's claim, about 450,000*l.*, that a balance should be struck as on the 1st January 1812; by which operation the higher rate of Indian interest would be saved to the Public, and with which they had been charged in the account submitted by the Company's officers, such account having been formed upon the principle recognised in 1805 and 1808. It is quite obvious, therefore, that the balance of the Government account, thus ascertained, to the 1st January 1812, would carry interest to the period of the final adjustment; and as far as interest constituted a part of that balance, compound interest became a necessary consequence.

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Many instances, also, in the Company's transactions, may be enumerated, in which a compound interest has been allowed. It may be merely requisite to advert to the Company's separate fund, as recognised in 1793, and the more recent recognition in the calculations of the Carnatic fund. The Court have thus thought it right to state the grounds and arguments by which, in their opinion, the introduction of an Indian rate of interest into the accounts between the Territory and the Commerce may be justified; and although the Court think the Board's arguments for a different principle do not successfully combat the Court's views, they yet do not hesitate to acknowledge that it is a point on which a difference of opinion may very fairly be entertained. Considering therefore that the Legislature, in directing a separation of accounts, still preserved a community of interest between the two branches of the Company's affairs, and, moreover, being desirous that this long protracted discussion should be brought to a termination, the Court will accede to the principle of adjustment proposed by the Board in your letter of the 15th instant, as far as regards the rate of interest; viz. that interest be charged upon the annual balance due from the Territorial to the Commercial branch, at the rate payable upon the Company's bond debt in England, at the several annual periods since 30 April 1814, when the balance shall be struck; but with respect to its compound operation, the Court must still contend, that unless the annual repayments by the Territory to the Commerce shall in the first instance be applied to discharge the interest annually accruing on the account, such interest shall be held to augment the principal of the debt, to carry interest upon the subsequent adjustment.

I have, &c.
(signed) J. Dart.

LETTER from T. P. Courtenay, Esq. to Joseph Dart, Esq.; dated India Board,
17th April 1824.

Sir,

I AM directed by the Commissioners for the Affairs of India to acknowledge the receipt of your letter, dated 25th ultimo, in reply to my letter of 15th ultimo, which stated the principles on which the Board thought it right to admit the charge of interest on the amount due from the Territorial to the Commercial branch of the affairs of the East India Company.

The Board cannot concur in the reasoning of the Court in favour of the Indian rate of interest, and the charge of compound interest; and in reference to the latter, conceive that the instances adduced of that mode of charge do not bear upon the case in question. In respect to the rate, they are relieved from the necessity of further discussion by the concession made by the Court at the close of your letter.

It is now understood that the rate of interest payable on the Company's bonds in England, at the close of each official year, will be the rate applied to the account between the Territorial and Commercial branches. But, in respect to compound interest, the alternative proposed by the Court would subject the Territorial branch to an equal amount of charge, in a different form; and the Board continue to be of opinion, that the interest on the account for past years should be calculated separately, upon the principle adopted in the account with His Majesty's Government; they are also of opinion, that in future the accounts may be adjusted soon after the expiration of the year in which the advances and repayments are respectively made.

According to the principle above referred to, interest for the past should be calculated from the middle of each year, which the Board are inclined to think, as the above advances are made from time to time through the whole year, would be the more correct mode of calculation.

The Board are further of opinion, that no interest should be allowed upon sums due from the Territory to the Commerce; repayment of which, though the Territorial funds are sufficient to make it, is delayed by the want of a Commercial demand for it. If cash, properly belonging to the Commercial branch, lies idle in the Treasury at Calcutta, the Commerce and not the Territory ought to sustain the loss.

With these qualifications, the Board are ready to concur in the Court's propositions.

I am, &c.
(signed) T. P. Courtenay.

LETTER from J. Dart, Esq. to T. P. Courtenay, Esq.; dated East India House,
17th June 1824.

Sir,

YOUR letter, dated 17th April last, conveying the Board's further observations upon the proposed charge of interest on the amount due from the Territorial to the Commercial branch of the affairs of the East India Company has been laid before the Court of Directors.

The Court see, with regret, that the arguments contained in my letter of 25th March last, and in those previously addressed to the Board upon the same subject, have failed in obtaining the Board's concurrence in the mode of charging the interest on the balance of the account current between the Territory and the Commerce.

It has not been denied, that by the 56th section of the Act of the 53d of the late King, the adjustment of the advances was to be an annual adjustment; by the 18th paragraph of the

the Court's circular letter to India of the 6th September 1813, (an alteration introduced by the Board) the future operation of the two branches were directed to be viewed, the Territorial branch as an affair of Government, the Commercial branch as a mercantile transaction.

The advances, therefore, from the Commerce to the Territory, are to be annually adjusted, and to be treated as a mercantile transaction; and the Court must repeat their conviction, that the proposed introduction of compound interest in the accounts between the Territory and the Commerce is strictly conformable to mercantile usage in England, under the circumstances in which the account is directed to be adjusted.

They think that they have also proved that this principle of adjusting accounts is not irreconcilable with Indian practice, and has been adopted in several cases.

In the instance adduced by the Board as an example of a contrary practice (the adjustment of the Government account) it appears that the mode of settlement, as contended for by the Government itself, was made upon grounds which distinctly recognised the principle of a compound calculation of interest.

The Court must further observe, that in all cases in which the Commercial branch may be compelled to increase, or has been prevented from reducing, its debts at interest, in England, through the failure of the Territory in making the necessary repayments, the mode of adjustment contended for by the Board would be obviously inequitable.

The interest on the money borrowed in such cases, on the Territorial account, must be periodically provided for out of Commercial funds, whilst the return, on the principle assumed by the Board, is to take place at no certain or definite period.

The Court, therefore, under all these circumstances, cannot abandon their opinion as to the mode of stating the accounts between the two branches in respect to interest, as contended for in their several letters to the Board of 18 September 1823, and 25 March 1824.

Adverting to the period of the year from which interest shall be held to commence, the Court see no objection to the adoption of the Board's suggestion, that it be calculated from the middle of each year.

With regard to the concluding paragraph of your letter, which states "that no interest should be allowed upon sums due from the Territory to the Commerce, repayment of which, though the Territorial funds are sufficient to make it, is delayed by the want of a Commercial demand for it. If cash, properly belonging to the Commercial branch, is idle in the Treasury at Calcutta, the Commerce and not the Territory ought to sustain the loss," the Court must observe, that considering that the Commerce is annually called upon to make advances for the Territory, without reference to the competency of employing the amount of such advances when repaid in Commercial investment, the equity of causing an accumulation of Commercial capital to remain unproductive is not apparent to the Court. The question, however, cannot have any practical operation on the occurrences of past years. The Territory, as has been observed in my letter of 25th March last, has on many occasions withheld the issue of funds to the Commercial branch, when profitable sales might have been made in Europe; nor has the Territory, it is apprehended, ever yet been, nor is it at the present moment, in a state entirely to liquidate the balance due to the Commerce, without creating fresh Territorial debt in India. The demands of Commerce, under the existing difficulties of making remittances, are not likely to effect any material reduction of this balance; if, therefore, the Territory hereafter shall be in possession of funds which may be made applicable to Commercial demands beyond the amount required by the Commercial branch, and if the Board shall still maintain the opinion stated in your letter, the balance ought to be placed at the disposal of the Company's commercial servants in India, so as to afford the opportunity of its being employed in any manner that may guard the Commerce from the loss arising by so much of its capital remaining unproductive.

I have, &c.

(signed) J. Dart.

LETTER from T. P. Courtenay, Esq. to Joseph Dart, Esq.; dated India Board,
30th November 1824.

Sir,

IN reference to the correspondence which has passed between the Board and the Court of Directors, in respect to the charge of interest on the amount due from the Territorial to the Commercial branch of the concerns of the East India Company, I am directed by the Commissioners for the Affairs of India to transmit, for the information of the Court, copy of a Case, with the joint opinion of His Majesty's Attorney and Solicitor Generals, relating to the subject.

I am, &c.

(signed) T. P. Courtenay.

(Enclosure.)

CASE.

PLEASE to refer to stat. 53 Geo. 3, c. 155, sections 1, 55 and 56, and also s. 64.

A plan for the separation of the Political, or Territorial, from the Commercial accounts of the Company, was adopted and acted upon soon after the passing of the Act, in conformity with the 64th sect., *vide* printed paper left herewith. See Appx. No. 1.

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The Company have from year to year made certain payments from their Commercial funds at home on account of Territorial charges, as contemplated in the 56th sect., which charges consist of the following heads:

- Pay, &c. to officers of the Company's forces on furlough or retirement.
- Passage of military to India.
- Political freight and demorage, or charge of freight, &c., incurred on account of the Territories.
- Interest and sinking fund on loan from the Public in 1812 (by Act 52 Geo. 3, c. 135).
- Political charges general, or charge of the Company's home establishments, &c. incurred on account of the Territories.
- Expenses on account of St. Helena and other Settlements.
- Stores exported for Territorial purposes.
- Payments on account of King's troops serving in India.
- Bills of exchange for payment of interest of India debt, &c. &c.

Orders have been addressed by the Court of Directors to their governments in India from year to year, to issue certain sums from the revenues of India, in repayment of the above advances, for investment or remittance, according to the directions of the 56th sect.; but it has occurred in some years, from the existence of war in India, or other causes occasioning urgent demands upon the resources of the governments there, in others from the want of sufficient orders as to the amount or mode of investment or remittance, that the sum paid from the Commercial funds at home for Territorial charges has not been fully issued, as directed by the Act.

The deficiency in the repayment of Commercial funds by the Territorial department has been carried forward from year to year, and a considerable balance is consequently exhibited in the Company's accounts as due to the Commercial branch of their affairs. For the discharge of this deficiency or balance, provision is not made in express terms by the Act, but, without its liquidation, the financial arrangements enacted by the Act will be materially impeded. Payment of this balance from the Territorial revenues is now claimed by the Company, together with interest on the accumulated balance arising from year to year.

Doubts have arisen whether, under the 56th section, the balance above described can be legally charged upon the Indian revenues of following years, and whether, if it is so chargeable, it is competent to the Court of Directors to order, or the Board to sanction, the payment of interest thereon.

Your opinion is requested,

- 1st. Whether the deficiency of issues from the Territorial revenues in one or more years, in repayment of Territorial charges defrayed from Commercial funds at home, can be legally discharged out of the revenues of following years?—And if it can be so discharged,
- 2d. Whether interest thereon, howsoever it may be calculated, can be paid from the Indian revenues, consistently with the provisions of the Act of the 53d Geo. 3, c. 155, especially the 56th section?

1st. We are of opinion that the deficiency of the sums issued from the Territorial revenues, in former years, for repaying the Territorial charges defrayed from the Commercial funds, may be made good out of the Territorial revenues of subsequent years.

2d. We think that interest cannot be paid upon such deficiency.

Serjeant's-Inn, 24 Nov. 1824.

(signed) J. S. Copley.
Charles Wetherell.

LETTER from Joseph Dart, Esq. to T. P. Courtenay, Esq.;
dated East India House, 7 July 1825.

Sir,

I HAVE received the commands of the Court of Directors of the East India Company to acknowledge the receipt of your letter, dated the 30th of November last, transmitting, by direction of the Board of Commissioners for the Affairs of India, copy of a Case, with the joint opinion of His Majesty's Attorney and Solicitor Generals, upon some of the questions which have arisen in the course of the correspondence which has passed between the Board and the Court, relative to the charge of interest in accounts between the Territorial and Commercial branches of the Company's concerns.

The Court direct me to observe, that they perceive with satisfaction that upon the first point submitted to His Majesty's law officers, the opinion delivered is in accordance with the view of the subject previously taken by the Court, and with the practice which has been observed in framing the accounts between Territory and Commerce.

With reference to the terms in which the opinion of His Majesty's Attorney and Solicitor Generals is expressed upon the second point submitted to them, the Court have thought it right to direct that a Case should be prepared for the opinion of the Company's standing counsel. Copy of this Case, and of the opinion of Mr. Serjeant Bosanquet thereon, I am directed to transmit to you for the information of the Board of Commissioners for the Affairs of India.

I have, &c.
(signed) J. Dart, Secretary.

(Enclosure.)

Appendix, No. 21.

OPINION of Mr. Serjeant *Bosanquet*, on the legality of charging Interest on the Balance due from Territory to Commerce; dated 20 June 1825.

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AFTER attentively considering this case, the correspondence therein referred to, and the answer of the Attorney and Solicitor Generals to the questions submitted to them, I am humbly of opinion, that a charge of interest upon the account from time to time becoming due from the Territorial to the Commercial branch of the Company's affairs, on account of sums paid out of Commercial funds for Territorial purposes, may lawfully be admitted in the statement directed to be made by the 64th sect. 53 Geo. 3, c. 155, if such a charge shall appear to the Court of Directors and the Board of Commissioners to be fair and just. The manifest object of distinguishing the Territorial and Commercial branches from each other in the accounts, was to ascertain and exhibit the relative situations of the Company's government and its trading concerns, whenever it should be found necessary to treat them as separate interests; the possibility of their actual separation at a future period being necessarily contemplated by the Government and the Company when the renewal of the Charter was under discussion. With this view, it was very correctly stated, in a letter of the Court shortly after the passing of the Act of 53 Geo. 3, viz. on the 6th of September 1813, that the Political branch was to be considered as an affair of Government, and the Commercial as that of a mercantile transaction; and again, in 1817, it was stated, in a letter to Bombay, that in the adjustment of payments between the Commercial and Political branches, a charge for interest will justly attach on the balance of these payments. It must often be convenient to the Company's government that the full amount of advances out of Commercial funds, on account of Territorial charges, should not be immediately repaid by advances in India, since the exigencies of the State may require all the funds which the government can command, and it may be more advisable to suffer the amount due to the Commercial branch to remain as a debt, at a reasonable interest, than to raise money by loan for the purpose of its discharge. But unless a charge of interest can be admitted in stating the accounts, the duty imposed upon the Court of Directors to protect the interests of the proprietors can compel them to insist upon the regular annual discharge of all sums advanced upon the Territorial account, or to narrow the advances upon that account beyond what the general interests of the Company, taking Territorial and Commercial together, may require. In the statement of account between the King's Government and the Company, interest has been allowed; in all mercantile concerns it is charged of course upon advances of money; and when the object is to ascertain what is fairly due from the Indian government to the Indian trade, supposing them to be entirely separate concerns, it appears to me to be reasonable and consistent with the true intent of the statute, to state the account as it would be stated if the transaction had occurred between the Indian government on the one hand and a private merchant on the other.

The actual sum annually advanced in England is the amount which by section 56 is to be repaid in India, and if repaid by the time prescribed, is to be received without interest or any compensation for remittance; but if it is not paid at the time, and is suffered to remain in arrear, it is obvious that a forbearance commences in India from the time when the money was payable, upon which, according to all mercantile principles, interest would accrue.

What the rate of that interest should be is a matter to be discussed and settled by the Court of Directors and the Board of Commissioners, according to what the peculiar circumstances of the case may appear to render just. The money is advanced by the Company in England, where they could only invest it at English interest. On the other hand, the repayment is to be made in India, and in India the forbearance takes place upon which the claim for interest accrues. If the Government, instead of being allowed to retain the debt due to Commerce, were obliged to borrow money to discharge that debt, Indian interest must be paid; if Commerce, instead of receiving the money as soon as it is due, allows it to remain in arrear, the disadvantage of postponing the payment must be proportioned to the rate of interest at the place where the money ought to be paid, and where, if paid, it might be invested. It seems to me, therefore, that mere English interest does not afford a just criterion, either of the benefit received by the Government, or the loss sustained by Commerce, in consequence of postponing the time of payment prescribed by the statute. The rate of interest (if any) which ought to be allowed can hardly be deemed a legal question. If upon reconsideration of the subject the legality of allowing any interest should be admitted, the amount of such interest must be matter of arrangement.

Lincoln's-Inn, 20 June 1825.

(signed) *J. B. Bosanquet.*

LETTER from *T. P. Courtenay*, Esq. to *Joseph Dart*, Esq.;
dated 12th July 1825.

Sir,

IN reference to your letter of the 7th instant, enclosing the opinion of Mr. Serjeant Bosanquet on a case submitted to him relative to the charge of interest on account between the Territorial and Commercial branches of the Company's affairs, on which subject the opinion of the Attorney and Solicitor Generals had previously been taken, I am directed

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by the Commissioners for the Affairs of India to request, that you will convey to the Court the Board's opinion, that the law officers of the Crown should be invited to confer with the Company's standing counsel on the points in question.

I have, &c.
(signed) *T. P. Courtenay.*

LETTER from *T. P. Courtenay*, Esq. to *J. Dart*, Esq. ;
dated 23d December 1825.

Sir,

I AM directed by the Commissioners for the Affairs of India to request that you will draw the attention of the Court of Directors to my letter, dated 12th July last, suggesting that the law officers of the Crown should be invited to confer with the Company's standing counsel on the points relative to the charge of interest on the accounts between the Territorial and Commercial branches of the Company's affairs, on which a difference of opinion appeared to exist.

The Board are desirous that this long-pending question should be brought to an early conclusion, and request that a reply to my letter may be forwarded with as little delay as possible.

I have, &c.
(signed) *T. P. Courtenay.*

LETTER from *T. P. Courtenay*, Esq. to His Majesty's Attorney and Solicitor Generals ;
dated 11th July 1826.

Gentlemen,

A CASE was submitted to you, on the part of the Commissioners for the Affairs of India, in the year 1824, relative to the charge of interest on the accounts between the Territorial and Commercial branches of the affairs of the East India Company. It has been subsequently suggested by the Board, that the opinion on that case should be the subject of a conference between you and Mr. Serjeant Bosanquet.

A decision with respect to this case, as I had occasion to intimate in my letter to you dated 19th November 1824, is of considerable public importance ; and I am directed by the Board to request that the result of the conference, if it have taken place, may be communicated at your earliest convenience.

I have, &c.
(signed) *T. P. Courtenay.*

LETTER from *J. Dart*, Esq. to *T. P. Courtenay*, Esq. ; dated East India House,
2d April 1828.

Sir,

WITH reference to your several letters of the 12th July and 23d December 1825, conveying the Board's opinion that the law officers of the Crown should be invited to confer with the Company's standing counsel on the subject of the charge of interest on account between the Territorial and Commercial branches of the Company's affairs, I have the honour to transmit a copy of the Case, and joint opinion of the Attorney-general, the Solicitor-general, and Mr. Serjeant Bosanquet, dated the 14th January 1828 ; from which opinion it will be seen, that in framing the accounts under the 53 Geo. 3, c. 155, s. 64, interest may lawfully be allowed on the balance annually due from the one branch of the account to the other, and that the rate of such interest, under the particular circumstances of the case, may be lawfully settled by arrangement between the Court of Directors and the Board of Commissioners, as may appear most just.

The latter part of this opinion refers to the lawfulness of charging an Indian rate of interest on the balance which may be annually due from the one branch of the account to the other. This point was long contended for by the Court. But as in their letter of 25th March 1824, the Court agreed that the interest be charged on the annual balance due from the Territorial to the Commercial branch, at the rate payable upon the Company's bond debt in England, I am directed to state to you, for the information of the Board, that the Court still abide by the terms conveyed in that letter, and which are as follows : " That the interest be charged upon the annual balance due from the Territorial to the Commercial branch, at the rate payable upon the Company's bond debt in England, at the several periods since the 30th April 1814, when the balance shall be struck ; but with respect to its compound operations, the Court must still contend, that unless the annual repayments by the Territory to the Commerce shall in the first instance be applied to discharge the interest annually accruing on the account, such interest shall be held to augment the principal of the debt, to carry interest upon the subsequent adjustment."

I have, &c.
(signed) *J. Dart*, Secretary.

(Enclosure.)

Extract of a CASE and OPINION of His Majesty's Attorney and Solicitor Generals, and Mr. Serjeant *Bosanquet*; dated 14th January 1828.

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Your opinion is requested,

Whether, in framing the accounts under 53 Geo. 3, c. 155, s. 64, interest may lawfully be calculated from year to year, or in any other manner, on the balance which may be annually due from the one branch of the account to the other; and if so, whether at the English or the Indian rate of interest?

We are of opinion, that in framing the account under 53 Geo. 3, c. 155, s. 64, interest may lawfully be allowed on the balance annually due from the one branch of the account to the other, and that the rate of such interest, under the particular circumstances of the case, may be lawfully settled by arrangement between the Court of Directors and the Board of Commissioners, as may appear most just.

(signed) *J. Scarlett.*
N. C. Tindall.
J. B. Bosanquet.

LETTER from *Benjamin S. Jones, Esq.* to *Peter Auber, Esq.*;
dated India Board, 17th August 1830.

Sir,

I AM directed by the Board of Commissioners for the Affairs of India to refer you to the letter from Mr. Dart to Mr. Courtenay, dated the 2d April 1828, transmitting a copy of the Case submitted to the law officers of the Crown, and to the standing counsel of the East India Company, with respect to the charge of interest in the accounts between the Territorial and Commercial branches of the Company's affairs, together with the joint opinion of those gentlemen thereupon.

The Board were desirous of maturely reconsidering the whole question to which that case relates before they came to a final decision upon the several points involved in it, but they are now prepared to communicate to the Court the conclusions at which they have arrived.

While the Board are of opinion, that nothing contained in the Act of the 53d of Geo. 3, can be construed as prescribing the allowance of interest on the advances made by one branch of the Company's affairs to the other, they cannot think it unlawful for them to acquiesce in a charge of that nature, under circumstances which apparently were not within the contemplation of the Legislature.

The Board, therefore, do not see reason to depart from the decision communicated in Mr. Courtenay's letter of the 15th March 1824, that they will not object to the charge of interest due either to the Commerce or to the Territory, "provided that it is calculated on such principles, and at such rate, as they can approve."

But while the Board consider themselves at liberty to allow a charge of interest under circumstances which apparently were not within the contemplation of the Legislature, they do not think it to be within their competence to allow that charge under circumstances which were contemplated by the Legislature, and under which no provision for such a charge was made.

The 56th section of the Act of the 53d Geo. 3, directs that a "sum equal to the actual payments which shall have been made from the Commercial funds at home on account of Territorial charges in the year preceding, (after deducting therefrom the charges of the Commercial establishments, and all the Commercial charges in India which may have been paid from the Territorial revenues in the same year) shall, in each and every year, be issued in India, for the purpose of the said Company's India or China investment, or of remittance to England on account of the said Company, at the option of the Court of Directors."

The Legislature, therefore, contemplated the delay of at least one year in the repayments to the Commercial branch of the sums advanced on account of the Territory, and yet made no provision for the charge of interest for that year.

It is impossible for the Board to allow a charge which it must be inferred that the Legislature did not intend to permit, and they can only acquiesce in the charge of interest from the commencement of the second year after the incurring of a debt from the Territorial to the Commercial branch.

When the Board refer to the means by which the Court have been enabled to make large advances to the Territorial branch from their treasury in England, they observe, that sums of considerable amount, applicable to the fourth head of appropriation, in the 57th section of the Act of 53 Geo. 3, and usually termed "surplus Commercial profits," have from time to time remained unappropriated to the purposes to which they are destined by the Legislature, for reasons which, in the opinion of the Court, as well as of high legal authorities, justified some postponement of the prescribed appropriation. Those funds are applicable, according to the provisions of the statute, to the discharge of the capital of Indian debt, and they have been so applied almost exclusively. The retention of the amount reserved, however justifiable, has operated to prevent the reduction of an equal amount of debt bearing interest, while it has to the same extent furnished the Court with the means of meeting the Territorial demands upon the Home Treasury. The Board therefore consider it equitable that interest should only be charged upon that portion of the debt due by the

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Territorial to the Commercial branch which is in excess of the amount of the unappropriated surplus profits of the Company; for the Territorial branch cannot, in fairness be required to pay, at the same time, interest upon debt which might be redeemed, and upon the sums which might be applied to its redemption.

Although the Board do not see reason to depart from the principle advanced by them in Mr. Courtenay's letter to Mr. Dart of the 17th April 1824, namely, that "no interest shall be allowed upon sums due from the Territory to the Commerce, repayment of which, though the Territorial funds are sufficient to meet it, is delayed by the want of a Commercial demand for it;" still, adverting to the difficulty of defining to what degree that demand on the part of the Commercial branch might have been properly extended in such case, and to all the circumstances of the several cases now before them, they will not now insist upon any deduction upon this ground from the sum upon which interest is to be charged. I am further directed to state, that the Board will not object, that after the interest bills, not otherwise provided for, shall have been first paid thereout, the sums annually remitted by the Treasury shall be applied to the discharge of the interest accruing on the debt due to the Commercial branch, that interest being calculated according to the principle above laid down.

It has been already agreed, that the rate of interest used in the account between the two branches shall coincide with that which the bond debt of the Company has borne from time to time.

I have, &c. &c.

(signed) B. S. Jones.

LETTER from *Peter Auber, Esq.* to the *Hon. J. Stuart Wortley*;
dated 9th December 1830.

Sir,

HAVING laid before the Court of Directors Mr. Jones's letter of 17th August last, which communicated to the Court the conclusions at which the Board have arrived upon the several points connected with the charge of interest in the accounts between the Territorial and Commercial branches of the Company's affairs, I have received the Court's orders to transmit to you, for the information of the Board, as the result of their mature consideration of the points to which their attention has been called, the following observations:

The Board having, in accordance with the legal opinion transmitted to them in the year 1828, signified their assent to the admission of the principle of this charge, the Court have only to remark upon the Board's view of the limitations under which the charge should be allowed.

The Court do not concur in the interpretation given by the Board to that part of the 56th section of the 53d Geo. 3, which is quoted in Mr. Jones's letter, as evidencing the intention of the Legislature, that a delay of at least one year should occur in the repayments to the Commercial branch, of the sums advanced on account of the Territory. The Court would request the attention of the Board to the remaining part of the section to which they have referred the Court, and which is expressed in the following terms:

"Provided always, that any excess which may happen to be so issued *in any year*, for the purposes of investment, beyond the actual payment which shall have been made *in the same year* by the said Company in Europe on account of Territorial charges, shall be taken into account in diminution of the sum to be applied to the purposes of investment for the year following."

From this part of the section, the Court deem it to be obvious that whatever be the method intended by the Legislature to be observed in assigning to the Commercial department in India the funds to be annually placed at its disposal under the provisions of this section, it is meant that the principle of adjustment of account between the two branches in respect to the transaction shall be that of a prescribed equality (to be obtained as far as the circumstances of the case will allow) *in the same year*, of the repayments in India, with the amount of the actual disbursements for Territorial charges in Europe; and upon a consideration of the whole section, as well of that part to which reference has been made by the Board, as of that which has been just quoted, the Court are of opinion, that the Legislature, in framing this enactment, had in view the circumstances under which the financial transactions of the Company, both Political and Commercial, must be conducted, and adapted its provisions to those circumstances. As on the one hand the amount of Political expenditure at home in any year cannot be ascertained until the close of each year, and on the other hand, the investment cannot be duly provided without previous arrangements and prospective instructions to the governments abroad, the resort in the first instance to estimate, as the ground-work of the process, becomes necessary, and, in the Court's opinion, was in the contemplation of the Legislature. This conclusion appears to derive force from the direction contained in the Act for the adjustment, in subsequent years, of the amount of any excess of issues for investment in previous years, a direction which would have scarcely been requisite had it been intended that the orders for investment should have reference to the expenditure, precisely ascertained, of a past period.

It has always been held, and indeed it appears to have been expressly provided by the Legislature, that the operation of the Act of the 53d Geo. 3, as respects the transactions between the Territorial and Commercial branches should commence, and consequently terminate, simultaneously both in England and in India; a provision inconsistent with the allowance

See Sec. 125.

allowance of a delay of one year in making the repayments from the revenues, as such a delay would involve the consequence of extending the period of repayment beyond the term granted to the Company by the Act.

The Court cannot acquiesce in the view which the Board have taken of the unappropriated surplus Commercial profits of the Company, in connection with the question under discussion. First, because the fund arising from this source is applicable to the reduction of the home-bond debt as well as of India debt; and, secondly, because the amount of surplus Commercial profit which is held by them unappropriated, in accordance with the advice of high legal authorities, is so held with a view to the general exigencies both Commercial and Political of the Company's affairs; the term "reservations for contingent losses," made use of by those authorities as descriptive of the purposes amongst others for which such a balance might lawfully be retained, necessarily implying that meaning.

Until, therefore, upon a view of the whole of the Company's affairs, it shall have been decided, in the accustomed mode, that sums are appropriable from this source, under the 57th section of the 53d Geo. 3, to the reduction of Indian Territorial debt, it cannot be assumed that this portion of the funds in the Company's possession would ultimately receive that destination; as in fact in the occurrence of cases such as are contemplated by the legal authorities before adverted to, it might no longer remain for application, and could not therefore be taken prospectively as a set-off against ascertained demands of the Commerce upon the Territory, for advances made by the former for the service of the latter.

In the decision of every question of account between Territory and Commerce, it appears to the Court that reference should constantly be made to the object which the Legislature had in view in directing the separation; being, as laid down in the despatch of 6th September 1813, that the financial results of each branch might be arrived at, "as if they were absolutely distinct and separate concerns."

The application of Commercial surplus to the reduction of Indian debt, is the diversion of a fund, commercial in its origin, to the service of the Territorial department, the effect of which, in the accounts of the respective branches, it is important to keep in view, with reference to the object just adverted to. By the application of successive sums from the Commercial surplus to the discharge of Territorial debt, not only is there produced in the accounts of that branch an improvement not derived from its own resources, to the extent of the principal sums paid off, but further augmented by the saving of interest which would have been payable by the Territory had not such debt been redeemed; but from which it, in consequence of such redemption, is relieved. An opposite effect results from this cause in the accounts of the Commercial branch, and the amount of benefit derived by the Territory in the mode just described may be regarded as the measure of the return (although the least) which might have been yielded to Commerce by so much commercial capital, of which it has been divested, had it been employed for the service of the Commercial branch. In this view the Commerce would, as a matter of account, be entitled to credit for the beneficial employment which it might have made of the surplus of its funds applied to Territorial use; but the Court do not mean to contend that advances made by the Commerce from this source, for the service of the Territory, should be repaid by an outlay for investment. They are, however, decidedly of opinion, that no correct judgment, of the nature described in the despatch of the 6th September 1813, can be formed of the independent resources of the two great divisions of the Company's concerns, without due allowance being made for the benefit thus derived to one branch by the abstraction of a corresponding amount from the resources of the other; otherwise a fallacious ground may be afforded for future legislation with regard to the Company's affairs; and it would, in their view, involve a still greater inaccuracy to abate the allowance of interest upon a portion of the Commercial surplus which might eventually become applicable to the service of the Commercial branch. The allowance indeed, of interest, is by no means an adequate compensation to the Commercial branch for the delay which has occurred in making the repayments required by the Act, inasmuch as the out-turn of Indian commerce was so much more favourable in the earlier than in the later years of the present Charter, and the limitation of the advances and suspension, in some cases, of the investments, occurred in the earlier part of the period. To the extent of the profit which would have been realized on the sale of the goods, had the sums appropriable to Commerce been advanced in due course, but which has been sacrificed through the delay in making the repayments, has the view of the Company's commercial transactions been disadvantageously exhibited. And in order to arrive at the result which would have been exhibited had the Company's Commerce been wholly disconnected from the Territory, it would be necessary to give credit to the Commercial branch for the amount of such sacrifice, were it practicable to ascertain it.

It is satisfactory to the Court to perceive that the Board no longer urge the principle contended for on a former occasion, viz. "that no interest shall be allowed on sums due from the Territory to the Commerce, repayment of which, though the Territorial funds are sufficient to make it, is delayed by the want of a Commercial demand for it." Yet they cannot admit the equity of the principle itself, or rather, in the actual position of the two branches of the Company's concerns, and their relation to each other, they cannot admit the possibility of the existence of the case supposed. For if the sums not called for by Commerce remain in the Indian treasuries (the scale of the cash balances not being increased on this account) the Territory, to the extent of the sums so remaining, is saved the necessity of borrowing in the public market, and the consequent charge for interest. And were there an actual surplus of Commercial fund in India, beyond the means of employing them in trade, the existence of a public debt in India bearing interest would afford to the Commercial branch, were it wholly separate from the Territory, the means of

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See Opinion of Attorney and Solicitor-Generals, quoted in Letter to the Board, 12 Aug. 1818. Appx. No. 19, p. 232.

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profitably investing it. Besides, it is obvious to remark, that if the repayments to the Commercial branch have, for the accommodation of the Territory, been postponed from a period favourable for their employment in trade to one that is unfavourable, compensation for the loss thence resulting (as before adverted to) seems to be called for, rather than the infliction of a further loss, in the shape of a non-allowance for interest. The Court do not regret the accommodation which has been thus afforded by the Commerce to the Territory, but they deem it important, on every ground, that the fact of such assistance, and the extent of it, as far as it can be ascertained, should be distinctly borne in mind. The Court would beg leave to recall to the recollection of the Board the large concession they have made, as respects the interests of the Commercial branch, by consenting that the calculation between the two branches shall be made at English rates of interest. In the course which they have adopted upon this question they disclaim all idea of wishing to benefit one branch of their affairs at the expense of the other; they are only anxious that the mode of keeping the Company's accounts should be in strict conformity with the intentions of the Legislature; and under a full conviction that the mode now suggested for the adjustment of interest on the transactions between Territory and Commerce would not convey the correct information required by Parliament, they request the Board's attention to the arguments adduced in this letter in favour of their view of the subject.

I have, &c,
(signed) P. Auber, Secretary.

LETTER from T. Hyde Villiers, Esq. to Peter Auber, Esq.;
dated India Board, 10th March 1832.

Sir,

I AM directed to address you, in reference to the correspondence, which took place in 1830, between the Board and the Court, on the subject of the charge of interest on the balance due from the Territorial to the Commercial branch of the affairs of the East India Company.

The Board have maturely weighed the objections urged by the Court to the mode approved by the Board of calculating that interest, and I am in consequence directed to communicate to you, for the information of the Court, the following observations:

The points noticed by the Court which remain unsettled are two only; namely, at what period the charge of interest on each yearly balance should commence; and whether the amount of surplus Commercial profits of the Company, remaining unappropriated in the Home Treasury in each year, should be deducted from the balance before interest is calculated.

With respect to the first point, the period from which interest should be calculated, it was proposed by the late Board, that as the Legislature appear to have contemplated in the Act of 53 Geo. 3, c. 155, the delay of at least one year in the full repayment to the Commercial branch of the sums advanced in England for Territorial purposes, and to have made no provision for the charge of interest for that year, interest on each balance should only be computed from the commencement of the second year.

After a full consideration of the arguments adduced by the Court in opposition to this view, and in favour of the commencement of interest from the period when the balance actually arises, the Board are of opinion, that a close adherence to the letter of the Act would justify the opinion which was expressed on this point. They are willing, however, to admit that the spirit of the Act in its financial clauses, which contemplates the punctual fulfilment of the functions of each part of the system, (a departure from which in one branch has appeared to the Board to justify the grant of interest on the deficiency in the reimbursements which should have taken place) would rather prescribe, that the charge of interest so introduced should be calculated from the date of the deficiency of repayment; and the Board will not object to the adoption of that principle in the calculation now in question.

Upon the second point above-mentioned, the decision of the Board was, that interest should only be charged upon that portion of the debt due by the Territorial to the Commercial branch which is in excess of the amount of the unappropriated surplus profits of the Company, it being held by the Board, that the Territorial branch could not in fairness be required to pay, at the same time, interest upon debt which might be redeemed, and upon the sums applicable by law to its redemption.

The Court object to this decision on two grounds, first, because the fund arising from this source is applicable to the reduction of the home-bond debt as well as of Indian debt; and secondly, because surplus profits unappropriated may lawfully be so held according to the high legal authorities consulted by the Court, "as reservations for contingent losses," which term the Court consider to comprise general exigencies, both Commercial and Political, of the Company's affairs; it is thence argued, that until the appropriation be made to the discharge of Indian Territorial debt, it cannot be known that such will be its destination, and its amount cannot therefore be taken as a set-off against demands of the Commerce upon the Territory.

Taking first into consideration the last of these reasons, the Board direct me to observe, that admitting the interpretation of the law assumed by the Court to be correct, and that the sole object of the reservation was to meet contingent losses, the transactions now under discussion are those of a period that is past, the losses of which are ascertained; and

and it is the surplus profits, after meeting all losses of the respective years, to which the Board's decision has reference. The surplus profits are, under the 4th head of appropriation of the 57th section of the Act of 1813, applicable to the liquidation of Indian Territorial debt or home-bond debt, and to no other purposes whatever; and in so far as those purposes are Territorial, the fund has a Territorial and not a doubtful destination. These profits, while they have remained unappropriated, have constituted a part of the cash balances from which the advances for Territorial payments have been supplied, and hence arises the claim for deduction of their amount from the balance due to Commerce in the calculation of interest, for which the Board contend.

The Board are confirmed in the propriety of this view by a reference to the opinion of His Majesty's Attorney and Solicitor Generals in 1818, to which the Court have referred. The Court, in the case referred to those authorities, inquired whether they were bound, in reference to an annual statement of profit and loss, "to treat as profit the whole balance appearing in their favour in any one year, without making any deduction or reservation for contingent losses and adventures, or for such sums as may be likely to be wanted for Territorial purposes."

The opinion given upon this point was, that in regard to estimates of their profit or loss, they were "not bound to treat as profit the whole cash balance appearing in their favour in any one year, without making reasonable deductions and reservations for contingent losses, as well as for such payments as they may be called upon to make for Territorial purposes."

It is thus clear, that the Court themselves, as well as the legal authorities then consulted, considered it right to suspend the appropriation of a part of the surplus profits to the discharge of debt, in order that the current Territorial demands upon the Home Treasury might thereby be provided for. The reservation was therefore made, and the discharge of Territorial debt bearing interest postponed, in order that the same funds might be applied to Territorial purposes in another form; but the Territory cannot be charged with interest on these funds when so applied.

A further confirmation of the propriety of the Board's view is furnished from the correspondence of the Court with the Board, in which they have, on more than one occasion, signified their inability to appropriate a further portion of the surplus Commercial profits to the discharge of Territorial debt, when it has been proposed by the Board, on the ground of their being so largely in advance to the Territorial branch by issues on that account from the Home Treasury.

The Board would refer particularly to Mr. Dart's letters to Mr. Courtenay, dated 7th June 1821 and 29th January 1823.

Vide Appx. No. 19,
pp. 251 and 253.

In the former letter the Court observe that the measure suggested by the Board, of appropriating a further amount of surplus profits "would be highly inexpedient; the immediate and prospective demands upon the Court to an undefined amount for bills of exchange drawn from India for interest of India debt requiring the entire of the resources of the Company in England to be retained for their liquidation;" and in the letter of 1823 the Court objected to further appropriation of surplus profits on the following grounds: "It is true that an amount of surplus Commercial profits is still unappropriated, fully adequate to meet the whole of the bills drawn in discharge of that debt, but it is no less true that the Commercial branch of the Company's affairs is in advance to the Territorial branch to an amount exceeding the unappropriated surplus profits, and of which the repayment by India in the way of Commercial investment must necessarily be a very difficult and tardy operation."

Thus the Court have undoubtedly withheld the appropriation of surplus profits to the reduction of Territorial debt, and consequently of interest payable by the Territory, (the propriety of which proceeding is not now the subject of consideration), in order that they might with those funds pay, or in consequence of their having therewith paid, Territorial demands. It is perfectly clear, therefore, that were the Board to accede to the Court's proposition, by allowing to the Commercial branch interest on the whole of those demands, the Territorial branch would be in effect subjected to the payment of double interest on very large sums, during a considerable part of the term of the present Charter.

The only modification to which the Board feel at liberty to consent arises out of the other point of objection which the Court have urged, namely, that the surplus Commercial profits are applicable to the payment of home-bond debt as well as India debt. Considering the character of the former debt, the Board deem it to be equitable that the unappropriated surplus profits, *minus* such proportion of them as may fairly be considered applicable to the reduction of Commercial debt, should be the sum deducted from the balance on which interest is calculated. It is not necessary for this purpose to enter into the question of the precise character of the home-bond debt, but as the Company have hitherto paid the interest upon that debt out of their Commercial receipts, the Board consider that for the present purpose the amount of that debt should regulate the proportion of the surplus profits applicable to Commercial purposes.

The Board observe, that the India debt at interest during the present Charter has been, on an average, rather more than 31,000,000 *l.* sterling; the home-bond debt nearly 4,000,000 *l.* As the Act of 1831 enacts that the Territorial debt shall not be reduced lower than to 10,000,000 *l.*, and the bond debt to 2,000,000 *l.*, the surplus profits might have been applied under that Act towards the reduction of 21,000,000 *l.* of India debt, and 2,000,000 *l.* of bond debt. They propose, therefore, to consider one-tenth of the surplus profits as the amount which might have been applied to Commercial purposes. There will thus remain to be deducted from the yearly balances, before interest is calculated, nine-tenths of the unappropriated

Appendix, No. 21.

Charge of Interest
on Balance due
from Territorial
to Commercial
Branch.

surplus profits. In any year in which that portion of the profits shall exceed the balance due there will of course be no charge for interest.

The Board do not deem it requisite to reply at length to the remarks made by the Court on points already decided. The Board still adhere to the opinion repeatedly expressed, that although it may be difficult, if not impracticable, to fix a rule of calculation, interest in favour of the Commercial branch might otherwise have been disallowed for any period when the Territorial treasuries were fully equal to make repayment, and there was a failure of Commercial requisition. During several years the cash balances in India were unquestionably more than sufficient to have discharged the debt due to Commerce, and the charge of interest might to that extent have been saved to the Territorial branch had further remittances or consignments been then effected. The Board must also decline to admit that the Court have made "a large concession" in acquiescing in the charge of English interest on advances which were issued in this country only. But considering it to answer no useful purpose to pursue these subjects further, the Board, in conclusion, desire me to express their opinion, that the utmost consideration, consistent with the law, has been given to the Commercial branch by the decision now communicated; and as no further concession can with propriety be made in the principle on which the charge of interest, which is the subject of this letter, should be calculated, they request that the Court will direct that interest may be computed accordingly, and that an account be made out and transmitted to the Board, with as little delay as possible, showing the annual effect which that method will produce on the account between the Territorial and Commercial branches of the Company's affairs, from 1814 to the present time.

I have, &c.

(signed) T. Hyde Villiers.

Appendix, No. 22.

CORRESPONDENCE, &c. relating to the Prospective Estimate of the Finances
of the East India Company.

Appendix, No. 22.

Prospective Esti-
mate of the
Finances of India,
&c.

LETTER from *Thomas Hyde Villiers, Esq.* to *Peter Auber, Esq.*;
dated 15th February 1832.

Sir,

I AM directed by the Commissioners for the Affairs of India to request that you will move the Court of Directors to order that the following accounts may be prepared, in addition to those requested in my letter of the 9th instant, and that they may be transmitted to this office with as little delay as possible.

A Prospective Estimate of the state of the Finances of India, including the Charges paid in England at the close of the Company's present term, corrected according to the latest advices received from India; exhibiting the result under the existing system, and upon the supposition that the trade is separated from the Territorial management.

It will be desirable in this estimate that the probable effect on its result of the liquidation of claims, the amount of which is uncertain or under discussion, should be exhibited separately.

The Board also request to be furnished with an Estimate of the probable state of the Stock of the Company in India and in England on the 30th April 1834, after including all computed claims of the Company upon the Indian revenues at that period; on the supposition, on the one hand, of the continuance of the existing system, and on the other, of any extensive alteration in it, whether by the discontinuance of the trade, the Company retaining the administration of the Territories, or by the cessation of their Territorial administration.

I have, &c.

(signed) T. Hyde Villiers.

LETTER from *P. Auber*, Esq. to *T. Hyde Villiers*, Esq.; dated at the East India House, 10th March 1832. Appendix, No. 22.

Sir,

HAVING laid before the Court of Directors of the East India Company your letter dated the 15th ultimo, I am commanded to transmit to you the accompanying "Prospective Estimate of the state of the Finances of India, including the Charges paid in England at the close of the Company's present term, corrected according to the latest advices received from India; exhibiting the result under the existing system, and upon the supposition that the trade is separated from the Territorial management."

To this estimate has been added, agreeably to the desire of the Board, a Statement of "the probable effect on its result of the liquidation of claims, the amount of which is uncertain, or under discussion." The Court beg that it may be distinctly understood that it will be for the General Court of Proprietors, when the subject shall come under their consideration, to decide what course shall be adopted in stating and supporting the whole of the Company's claims.

So strongly are the Court impressed with this consideration, that they cannot undertake to furnish the Board with any regular estimate of the stock of the Company in the year 1834, under the several contingencies assumed in the Board's requisition, namely, the continuance of the present system as a whole; the continuance of the Territorial administration; the Company relinquishing the trade, and the cessation of that administration. Being, however, most anxious upon this as upon all occasions to afford to the Board every information which it is in their power to furnish, the Court have instructed me to submit the following statements and observations, premising that they are only to be regarded as an outline of the view taken by the Court, and not as in any degree committing their constituents.

The Commercial stock of the Company in England, abroad and afloat, on the 30th April 1834, should the existing system be continued, may be estimated at the amount at which it is exhibited in the Account of Stock per computation (exclusive of capital stock) made up on the 20th December 1831, the last account of that description which has been prepared. That account exhibits by computation a balance in the Company's favour of 20,400,835*l.*, resulting from the following debits and credits; viz.

Credits, consisting of cash, merchandize, shipping, warehouses	£.
in England, debts owing to the Company, and other effects	21,956,690
Dead stock in India, not comprised in the foregoing particulars	568,801
	22,525,491
Debts, Commercial, but not comprising the capital stock	2,124,656
Balance in favour	£. 20,400,835

The value assigned in this estimate to the goods in warehouse in England is taken at the current sale prices.

In the above computation, sufficient allowance is made to cover ordinary sea risk and risk by fire. But should any considerable losses of that description occur prior to 30th April 1834, the Company being their own insurers, the property would be proportionally diminished. The value assigned in the calculation of the Company's buildings both in India and in England, would be liable to serious depreciation in any attempt to realize it by sale. No allowance has been made for the expense that would be caused after 1834 by commercial contracts then outstanding, or by providing for commercial servants pensioned, or whose services might be no longer required; the amount of which being dependant on various circumstances, the Court cannot pretend to estimate.

The home-bond debt has not hitherto been charged against either of the heads of Territory or Commerce; but the statements which have been made to the Parliamentary Committee seem to the Court conclusively to establish that debt to be Territorial, in accordance with the view taken of it by the Committee of the House of Commons, who reported upon the Company's accounts on the 12th March 1783, as quoted below*; and therefore no part of the bond debt is included in the before-mentioned amount of Commercial debts.

It

* "It also appeared that the Company have received and realized in England, from the territories and revenues in India, no more than the sum of 3,622,969*l.*, from which, deducting the said sum of 2,169,398*l.* 18*s.* 2½*d.* paid to Government as before mentioned, the sum remaining for the Company amounted to no more than the sum of 1,453,570*l.* 1*s.* 9¾*d.*, which was appropriated in the reduction of the Company's bond debt; and the said sum of 1,453,570*l.* 1*s.* 9¾*d.* being deducted from the said sum of 5,069,684*l.*, leaves the Company in disburse upon account of the wars by which the territories were acquired, to the amount of 3,616,113*l.* 18*s.* 2½*d.*, besides interest.

It also appeared that the Company's English bond debt in part arose from their military expenses in India, and that those expenses during the wars prevented the Company from discharging the whole their bond debt out of their ordinary profits."

Appendix, No. 22.

Prospective Estimate of the Finances of India, &c.

It appears to the Court that, subject to the contingencies before referred to, the Company will, on the 30th of April 1834, stand possessed, in their Commercial character, of the balance of property estimated above, and their eventual claims upon the Territory not comprised in that balance, their constituents would, it is presumed, according to former practice, allow to remain dormant during the continuance of any further term to be granted to the Company.

With respect to the question, what would be the probable state of the Commercial stock in 1834, in the event of the "discontinuance of the trade, the Company retaining the administration of the Territories," it may be important to remark, that the Company's right to trade in common with His Majesty's other subjects is perpetual, and not dependant on their Territorial administration. That right the Company would be at liberty to exercise, unless they voluntarily consented, for a valuable consideration, to abandon it; but whether they ceased altogether to trade, or only lost their exclusive privileges, reasonable apprehensions may be entertained, that (without express provision to the contrary) the Company's Commercial capital would be exposed to greater hazard of loss or diminution than under the present system: as for instance, in remitting to England such part of the balance due from the Territory as might remain unliquidated in 1834, and any Commercial property abroad at that period; also from a possible depreciation of the value of the large stock of tea kept and ordered by the Company, in compliance with and in furtherance of the provisions of the Legislature, and for which they would be clearly entitled to equitable consideration. A part of the loss which might be expected to occur under such circumstances, would be directly traceable to the artificial valuation of the Company's Commercial property in India, in consequence of the use of the arbitrary and excessive rates of exchange prescribed by the Board of Commissioners in the plan of 1814. Some protection, therefore against such consequences following immediately on the conclusion of their present term, as well as during a continuance of their future Territorial administration, could not, it is conceived, consistently with justice, be denied to them; and with a provision to that effect, the Company's Commercial stock, in the event of the discontinuance of their trade, may be assumed at the sum already stated, of 20,400,835 *l.*, exclusive of their other claims on the Territory.

In the third supposed state of circumstances, "the cessation of their (the Company's) Territorial administration," the constituent parts of the ascertained Commercial stock of the Company would remain the same as under the previous suppositions, and in any general settlement of their affairs following thereupon, it would seem to be only equitable that a provision of the nature before specified should be made to preserve it from loss or diminution through the operation of causes similar to those already pointed out. If the Company's Territorial administration were to cease, the whole of those claims, which in the two former contingencies it has been assumed might lie dormant, must necessarily then be brought forward and determined.

The Company possess, as a commercial corporation, forts, towns, islands, territories and rights abroad, their absolute property in which has never been questioned, the same having been obtained by purchase, amicable grant or negociation, previous to the acquisition of the Dewannee; besides which, it is well known that the claim of the Company to a property (subject to the undoubted sovereignty of His Majesty) in the territories acquired by conquest, has never been abandoned by them, and that should it be determined to deprive the Company of such territories, they possess, as was asserted in their petition of 1813, a "just right to reimbursement of the expenses which they have incurred in acquiring and maintaining them, and in making the fortifications and civil and military buildings and works by them erected, with a compensation for the services and risks (of the Company) during the long time which they have had the possession and government of such territories, under the confirmation of Parliament, and all other charges incurred by them relative to such territories." The Act of the 53d Geo. 3, c. 155, reserved to the Company any right which they might possess in these respects; a reservation which has also been made in several previous Acts.

Should the Company be deprived of their Territorial administration, it will be for the General Court of Proprietors to decide in what mode and to what extent the claim in respect to the territories conquered or acquired subsequently to the acquisition of the Dewannee, as well as all other claims, shall be urged. But without presuming to anticipate the decision of the Proprietors, it may be safely asserted that the Company have an indisputable right to reimbursement of the balance of expenses incurred by them up to 1765, in the conquest of those territories, amounting without interest, in 1783, to 3,616,113 *l.*, according to the statement of a Committee of the House of Commons before quoted.

I have, &c

(signed) P. Auber, Secretary.

(Enclosure.)

Appendix, No 22.

A PROSPECTIVE ESTIMATE of the State of the FINANCES of *India*, including the CHARGES paid in *England* at the close of the Company's present Term corrected according to the latest Advices received from *India*; exhibiting the Result under the existing System, and upon the supposition that the TRADE is separated from the TERRITORIAL Management. Prospective Estimate of the Finances of India.

By an Estimate, dated 22d July 1831, Appendix I. to a Report from the Select Committee of 1831.

The total Revenues in India, at the expiration of the Company's present term, are stated at 17,936,217 <i>l.</i> , or at 1 <i>s.</i> 11 <i>d.</i> the sicca rupee, the rate observed in that estimate - - - - -	Sa. Rs.
	18,71,60,525
The total Charges in India, inclusive of the interest on the debt, whether paid in <i>England</i> or in <i>India</i> , but exclusive of the charge for St. Helena and the Home Territorial charges, 16,863,949 <i>l.</i> , or - - - - -	17,59,71,641
According to that estimate, therefore, the local surplus in 1834 would be - - - - -	1,11,88,884
Information received since that estimate was prepared, affecting some of the items both of receipt and expenditure, shows an improvement amounting to - - - - -	2,43,874
Local Surplus - - - - -	1,14,32,758
But in the Estimate of July 1831, the rupee having been reckoned at 1 <i>s.</i> 11 <i>d.</i> , it was assumed that the payments from the Territorial to the Commercial Branch would be made at that rate. Supposing these payments to be made as respects Territorial Charges and Interest Bills, at the rates specified in the plan of 1814, as applicable to these transactions respectively, there would be a reduction in the estimated charge for interest on the debt of India, of - - - - -	3,48,799
Thus augmenting the Local Surplus to - - - - -	1,17,81,557
The expense of St. Helena and the Home Territorial Charges will amount upon a revised estimate to	
St. Helena - - - - - £. 90,000	
Home charges - - - - - 1,640,000	
£. 1,730,000	
In the discharge of which, India, under the present system of the Board's rate of 2 <i>s.</i> 3.84 <i>d.</i> pays - - - S. Rs. 1,49,13,793	
Cost of effecting remittances to meet Interest Bills - - - 7,80,028	1,56,93,821
Deficit under present system - - - Sa. Rs.	39,12,264

Note.—Under the present system, India has participated in the surplus Commercial profits of the Company to the extent of 4,998,799 *l.* applied to the discharge of debt; the interest of which debt, had it not been so discharged up to 1829–30, would have amounted to 3,176,152 *l.*

If under a change of system such as that indicated in the title to this estimate, the Territory had to effect its own remittances, the rupee, for which, so far as respects the Territorial Charges incurred at home, it now receives 2 <i>s.</i> 3.84 <i>d.</i> , would be worth to the Territory only its produce in the market; which, taking the rate in London for bills upon Calcutta, upon an average of the three last years, given in the statements before Parliament, appears to have amounted to 1 <i>s.</i> 9.247 <i>d.</i> , at which the equivalent for 1,730,000 <i>l.</i> Home Charges - - - - -	Sa. Rs.
India would also be called upon for a further amount in effecting remittances of interest on the debt, and other advances not included in the above amount of Home Charges. The sums so remitted may be estimated at 689,000 <i>l.</i> annually, and the cost of remitting them being the difference between the before-mentioned rate of 1 <i>s.</i> 9.247 <i>d.</i> and 2 <i>s.</i> 2.012 <i>d.</i> the average rate at which the Territory is engaged to effect the remittance - - - - -	1,95,41,582
	14,25,747
Deduct Local Surplus, as above - - - - -	2,09,67,329
	1,17,81,557
Deficit under altered system - - - Sa. Rs.	91,85,772

Appendix, No. 22.

Prospective Estimate of the Finances of India.

besides which, India would of course cease to participate in the surplus Commercial profits, the amount of which since 1814 has been already stated.

It will be observed that the foregoing calculation is made upon the principle, that the Territory would effect its remittances by receiving cash in London, in exchange for government bills upon India. If the Territory were to adopt the principle of issuing cash in India, in exchange for private bills upon England, there might be an advantage in the rate, though this would, it is conceived, be countervailed by risk of loss, if no security were taken from the drawers of the bills, or by charges of management, if the security were taken of a lien upon cargoes. No allowance is made in this estimate for the contingency of either European or Indian wars.

The registered debt of India in 1834, of which the interest is comprised in the foregoing estimate, is computed at 40,24,39,525 sicca rupees.

PROBABLE EFFECT on the Result of the foregoing Estimate of the Liquidation of Claims, the Amount of which is uncertain, or under discussion.

THE claim of the Company to the balance of their expenditure upon account of the wars which preceded the acquisition of the Dewannee, amounts, according to a Report of a Select Committee of the House of Commons on the 12th March 1783, to 3,616,113 *l.* without interest. The equivalent for this at the before-mentioned rate of exchange of 1 *s.* 9.247 *d.* per sicca rupee, is 4,08,46,572 sicca rupees, which, supposing the government of India to borrow it at 5 per cent. would entail a charge for interest of sicca rupees 20,42,328 per annum.

The principal of the home-bond debt amounts to about 3,600,000 *l.*; and the interest at the present rate of 2½ per cent. is about 90,000 *l.* per annum, the equivalent for which would be sicca rupees 10,16,614 per annum.

With respect to the Territorial property of the Company, as a commercial corporation, it may be observed, that besides the question reserved in successive Acts of Parliament as affecting the Territory at large, the Company possess, in their own right, forts, towns, islands, territories and rights abroad, their absolute property in which has never been questioned, the same having been obtained by purchase, amicable grant or negotiation, previous to the acquisition of the Dewannee.

East India House, }
March 1832. }

(Errors excepted.)

(signed) James C. Melvill,
Audr India Acc^{ts}.

Appendix, No. 23.

Appendix, No. 23.

Memorandum on the Court's Prospective Estimate of 10 March 1832.

MEMORANDUM of the Result of an Examination made at the India Board, of the PROSPECTIVE ESTIMATE of the FINANCES of INDIA, forwarded by the Court of Directors to the Board, with their Letter dated 10th March 1832.

THE Prospective Estimate of the Finances of India, transmitted to the Board by the Court of Directors on the 10th March last, has been framed at the desire of the Board, in order to show the probable state of those finances at the close of the present arrangement with the East India Company in 1834, on reference to the latest advices received from India; and it exhibits the result, as it would stand, first, under the existing system; and, secondly, upon the supposition that the trade is separated from the Territorial management. In the former case the Court estimate that a deficiency of revenue to defray all charges abroad and at home will remain, amounting to *Sa. Rs.* 39,12,264; in the latter case, that the deficiency will be increased to *Sa. Rs.* 91,85,772, which does not include interest on sums which the Court consider may, in the case supposed, be claimed by the Company on account of various demands upon the Territories.

Appendix (A.)

The particulars composing these results have been called for, and are added to the Appendix. They exhibit the various heads of Revenue and Charge, upon the principle adopted in the accounts laid before Parliament.

In considering this estimate, it is of importance to bear in mind that much uncertainty must always attach to estimates of the Indian finances, and especially to such as are framed so long beforehand. It is, therefore, the more important that the computation should be grounded as much as possible on results which have been actually realized. The several heads of Revenue and Charge have consequently been compared, in a Statement* hereunto annexed, with those of the last three years of which the actual accounts have been received, viz. 1827-28 to 1829-30, the receipts which are only of a temporary character being separated from those which are permanent. The amount of each head, as estimated for

* Appendix (B.)—This Statement is drawn up upon the principle adopted in the accounts presented to Parliament, which is followed in the Court's Estimate; a principle differing in some respects from the mode of statement in use by the Officers of Account in India, in which form such statements are occasionally exhibited.

for 1830-31, is also shown, but the realization of the Indian estimates, however carefully they may be framed, cannot be relied upon, as will be seen on comparing the results of the Sketch and Regular Estimates of the principal heads of revenue in previous years (as shown in the Statement) with the actual out-turn. Even should more favourable results be realized in a particular year, it would not justify the adoption of those results for a prospective and distant view.

The following remarks are suggested with regard to such heads as require observation.

Bengal Revenues.

The general receipts from the *Mints*, the *Post-office*, the *Stamps*, and the *Judicial* fees and fines, taken at 44 lacs of sicca rupees, appear to be estimated as high as is consistent with proper caution. Previously to 1827-28, the amount was lower than in the subsequent years, and latterly some heads have ceased, and others have yielded less revenue.

The important head of *Land Revenue*, under the Bengal Presidency*, yields a steady and somewhat increasing resource. In 1826-27, the receipt was somewhat higher than is shown in 1827-28. In the five years preceding 1826-27, the average receipt was *Sa.Rs.* 7,06,20,781. Although the Estimate for 1830-31 anticipates a receipt of *Rs.* 7,11,70,000, later advice intimates that it will probably not exceed *Rs.* 7,04,50,000, or 704½ lacs. The sum of 706 lacs of rupees appears a suitable average estimate for the future.

Although the receipts from *Customs* in 1829-30 fell short of the estimate, there is good ground to hope, from the amount of this revenue in previous years, that the Court's Estimate† may be realized in future.

The receipts from the *Ceded Territory and Tributes* have varied greatly. The districts on the Nerbudda have yielded less revenue latterly than in previous years. In 1829-30, the tributes received from numerous Native States fell much in arrear, and the receipts from a few of the districts were carried to the credit of the account with Scindia, for the pay of his auxiliary cavalry, which occasioned a nominal reduction of nearly 3 lacs of rupees. Nearly 2½ lacs of tribute have also ceased to be carried to account under the present head.

The Estimate for 1830-31 assumes a large receipt of arrears of tribute. If it should be realized, it cannot be taken as an annual resource. The Burmese cessions are not expected to yield any material increase. Upon the whole, it would not be safe to adopt a higher estimate‡ than that taken by the Court for this head of receipt.

The revenue from *Salt*§ was lower in 1829-30 than for eight previous years. The quantity sold, and the price, exceeded those of 1828-29, but were lower than in some previous years; the difference of result arose in the amount of outstanding balances. The usually steady receipt from this article may justify the expectation, that as the average produce of the last seven years was 187 lacs of rupees, and it is estimated in 1830-31 at 183 lacs, this head will, on an average, yield more than is taken in the Court's Estimate, and that the amount may be 185 lacs of rupees instead of 180 lacs.

From the receipts from *Opium*|| in 1829-30 is to be deducted the receipt from Malwa opium, the manufacture of which on account of the Government is no longer continued, viz. *Rs.* 41,54,233, leaving *Rs.* 1,11,07,859 as the produce of the Behar and Benares opium. In the two preceding years this opium yielded an amount exceeding that of 1829-30, but since for four previous years it yielded considerably less than one crore of rupees, the latter sum

* Bengal Land Revenue in,			
1821-22 -	-	-	<i>Sa.Rs.</i> 7,11,68,127
1822-23 -	-	-	7,09,70,358
1823-24 -	-	-	7,10,75,150
1824-25 -	-	-	6,98,51,185
1825-26 -	-	-	7,00,39,084

35,31,03,904

Average - - *Sa.Rs.* 7,06,20,781

1826-27 - - - 7,19,52,252

† Prospective Estimate - *Sa.Rs.* 67,50,000

‡ Prospective Estimate - *Sa.Rs.* 43,50,000

§ Receipt from Salt :

1823-24 -	-	-	<i>Sa.Rs.</i> 1,90,39,514
1824-25 -	-	-	1,81,91,301
1825-26 -	-	-	1,84,43,698
1826-27 -	-	-	1,87,35,733
1827-28 -	-	-	2,05,36,872
1828-29 -	-	-	1,96,10,557
1829-30 -	-	-	1,64,34,370

13,09,92,045

Average - - *Sa.Rs.* 1,87,13,150

Prospective Estimate - *Sa.Rs.* 1,80,00,000

|| Receipts from Behar and Benares Opium:

1823-24 -	-	-	-	<i>Sa.Rs.</i> 73,43,549	Average. Rs. 72,76,438
1824-25 -	-	-	-	85,82,466	
1825-26 -	-	-	-	50,31,204	
1826-27 -	-	-	-	81,48,533	
1827-28 -	-	-	-	1,14,85,943	Average. Rs. 1,12,62,881
1828-29 -	-	-	-	1,11,94,842	
1829-30 -	-	-	-	1,11,07,859	

Estimate 1830-31 - - - 1,24,00,000

Prospective Estimate - - - 1,00,00,000

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sum may be taken as a fair estimate of the future produce of this fluctuating head of revenue. The Estimate of 1830-31 includes 13 lacs on account of Malwa opium, which will not in future be realized. So high a receipt as 124 lacs cannot be expected from other opium.

The subsidy from the Nagpore State is fixed in the treaty at eight lacs of Sonat rupees, or *Sa. Rs.* 7,65,500. The payment commenced in June 1830, which accounts for the sum of only *Sa. Rs.* 5,70,000 being included in the Estimate for 1830-31. Considering that for many years past other Native States in the Peninsula have paid their full subsidy regularly, it may be assumed that the entire amount will, in most years, be received. In that view, two lacs of Sicca rupees may be added to the five lacs, at which the receipt is estimated by the Court.

The total revenues of Bengal, according to the Prospective Estimate, are *Sa. Rs.* 11,48,90,000, which, converted into sterling at 2 s. per current rupee, for the purpose of comparison with the accounts presented to Parliament, is 13,327,240 *l.*

The additions above suggested, amounting to seven lacs of rupees, will be brought into view hereafter.

Madras Revenues.

Madras Revenues.

The first or *General* head requires no particular remark.

The *Land Revenue* * is estimated rather higher than the average amount of the three preceding years, two of which were rather unfavourable. Considering the liability of the Madras districts to suffer from adverse seasons, this is the utmost amount that could safely be assumed.

The amount estimated to be received from *Customs* † is rather below the average of the last three years, and it may be hoped will be realized.

The receipts from *Salt* ‡ are estimated at an amount exceeding by one and a half lac of rupees, the average receipt of the three preceding years; but as this resource has been for some years improving, it may not be too high.

The *Subsidies* from Mysore, Travancore, and Cochin, have been steadily realized for many years.

One source of revenue does not appear in the Estimate, the Profits to be derived from the Government Bank, which may be taken at *Rs.* 80,000. This will constitute an addition to the receipts of this Presidency.

The total revenues of Madras are assumed in the Court's Prospective Estimate at Madras rupees 4,77,01,100, or at the Parliamentary rate, viz. 3½ rupees for the pagoda, at 8 s., 5,451,555 *l.*

Bombay Revenues.

Bombay Revenues.

The increase of receipts of the *General* Department, as compared with those of the year 1828-29, arises chiefly from bringing to account the gross instead of the net receipts from *Stamps*.

In the *Land Revenue* great depression has been experienced in most of the districts, especially those situated in the newly-acquired provinces in the Deccan.

The failure of the Bombay revenues in 1828-29, as shown below §, continued during the year 1829-30; and although the Estimate for 1830-31 assumes a considerable increase, recent advices received since the Prospective Estimate was framed, indicate that the actual receipts of 1830-31 may fall below the Estimate by about 21 lacs of Bombay rupees. The Court's Estimate calculates on some improvement, and under present circumstances it can hardly be taken higher ||.

The

* Land Revenue, &c. :

1827-28	-	-	<i>Ms. Rs.</i> 4,67,93,586
1828-29	-	-	4,82,01,518
1829-30	-	-	4,73,86,385
			14,23,81,489

Average - - *Rs.* 4,74,60,496

Prospective Estimate - *Rs.* 4,77,01,100

† Customs :

1827-28	-	-	<i>Ms. Rs.</i> 49,58,881
1828-29	-	-	53,37,560
1829-30	-	-	51,68,848
			1,54,65,289

Average - - *Rs.* 51,55,096

Prospective Estimate - *Rs.* 51,00,000

‡ Salt Revenue :

1827-28	-	-	<i>Ms. Rs.</i> 30,29,183
1828-29	-	-	35,38,644
1829-30	-	-	41,08,391
			1,06,76,218

Average - - *Rs.* 35,58,739

Prospective Estimate - *Rs.* 37,00,000

§ Land Revenue :

1827-28	-	-	<i>By. Rs.</i> 1,83,84,563
1828-29	-	-	1,61,62,103
1829-30	-	-	1,61,17,261
			Estimate 1830-31 - - 1,81,24,700

|| Prospective Estimate - *By. Rs.* 1,63,50,000

The estimated receipt from *Customs* * may be considered high ; but the steady increase of this resource, arising partly from the improvement of the commerce of this Presidency, and partly from increase of duties, encourages the hope that it will be realized.

The only revenue henceforth expected to be derived from *Malwa Opium*, will be realized at Bombay by the sale of passes allowing its transit through the Bombay provinces to the sea. The Estimate of 1830-31 relies on a receipt of 14 lacs of rupees from this source ; but the actual receipt of the year scarcely exceeded 8 lacs. The resource is expected to improve, and it may therefore be proper to anticipate at least the amount assumed by the Court, viz. 10 lacs of rupees.

The total revenues at Bombay are taken in the Prospective Estimate at Bombay rupees 2,24,00,000, or, at 2 s. 3 d. the rupee, 2,520,000 l.

The revenues of India, according to the Prospective Estimate of the Court, are computed as follows, at the rates of exchange generally used in the accounts laid before Parliament :

Bengal	-	-	-	-	-	-	£. 13,327,240
Madras	-	-	-	-	-	-	5,451,554
Bombay	-	-	-	-	-	-	2,520,000
Total							£. 21,298,794

Charges.

To estimate prospectively what the Charges of India will amount to at a particular period, must be attended with more difficulty, and the probability of its realization be more questionable, than to estimate the revenues ; especially at a period like the present, when extensive reductions are in progress in every department, the benefit of most of which will only be realized gradually, and as events occur which are contingent in their character. With regard to Bengal, the difficulty is further increased, in consequence of a new arrangement, whereby, in 1829-30 and 1830-31, only audited disbursements were brought to account as the expenditure. Hence, under some heads, principally the Revenue and Judicial, in the last year of actual account, 1829-30, which would furnish the best guide for the future, a large and undefined amount of charge is omitted, and in the Estimate of 1830-31 there are probably similar omissions, and a considerable sum of arrears belonging to the former year is included in the charges. These circumstances must be considered in any comparison of the estimated amounts of charge with those of previous years.

The information furnished by the Court relative to their Estimate intimates that the charges are ascertained by adjustments upon those of 1829-30, instead of 1828-29, which was the year referred to in their former Prospective Estimates. A later year naturally affords a better guide for a future prospect, but, for the reasons already given, the difficulty of applying the rule accurately to the several heads of the Bengal Charges is considerable.

Bengal Charges.

The adjustments made upon the Charges of 1829-30 are the following, in which the Court have assumed that arrears of Civil Charge remained outstanding at Bengal at the close of the year, amounting to 25 lacs of rupees.

Total Charges of Bengal in 1829-30 - - - - - Sa. Rs. 9,33,40,918

Deduct, as inapplicable to future years :

Malwa opium charges, &c.	-	-	-	-	-	Rs. 16,93,958
Embezzlement in Benares mint	-	-	-	-	-	1,93,643
Payments to Scindia	-	-	-	-	-	7,70,320
War charges	-	-	-	-	-	1,55,551

28,13,472

Deduct also, further reductions ordered :

In Civil and Marine departments	-	-	-	-	7,00,000
In Military department	-	-	-	-	29,50,000
					36,50,000

Total Deductions - - - - - 64,63,472

Carried forward - - - 8,68,77,446

* Customs :

1826-27	-	-	-	-	-	By. Rs. 33,59,026
1827-28	-	-	-	-	-	35,08,188
1828-29	-	-	-	-	-	37,68,490
1829-30	-	-	-	-	-	42,96,088
Prospective Estimate	-	-	-	-	-	41,00,000

Appendix, No. 23. Memorandum on the Court's Pro- spective Estimate of 10 March 1832.	Add,		Brought forward - - -		Sa. Rs. 8,68,77,446
	Pay of Civil establishments, supposed to be omitted in				
	1829-30	- - - - -	- - - - -	- - - - -	Rs. 25,00,000
	Civil pensions short paid in that year		- - - - -	- - - - -	14,00,000
	Salt advances - - ditto		- - - - -	- - - - -	10,00,000
	Civil extraordinaries, less than usual in 1829-30		- - - - -	- - - - -	4,00,000
	Military receipts, more than ditto		- - - - -	- - - - -	6,00,000
	Military buildings, less than ditto		- - - - -	- - - - -	4,00,000
	Other small adjustments		- - - - -	- - - - -	12,162
	Additional interest on debt prior to 1834, as com- pared with interest paid in 1829-30		- - - - -	- - - - -	16,51,492
	Additional interest to be incurred to pay debt due from the Territorial to the Com- mercial branch		- - - - -	- - - - -	29,91,200
	Less, adjustment of ditto in the Prospec- tive Estimate for difference of exchange		- - - - -	- - - - -	3,48,799
					26,42,401
	Total estimated increase of Interest		- - - - -	- - - - -	42,93,893
	Total additions to Charges of 1829-30		- - - - -	- - - - -	1,06,06,055
	Estimated Charge, prospectively		- - - - -	- - - - -	Sa. Rs. 9,74,83,501

The deductions of Rs. 28,13,472 are correctly excluded as peculiar to 1829-30, and not likely to recur. The *Civil* and *Marine* reductions, taken at seven lacs, and the *Military* at 20½ lacs of rupees, are assumed upon the principle of allowing for such additional savings as the reductions in progress are expected to produce by the year 1834. The amount is necessarily on estimate; the requisite distinction not being sufficiently observed in the Indian accounts.

With regard to the additions made to the Charges of 1829-30, the arrears of 25 lacs appear to have been estimated with as much accuracy as the circumstances will allow. The Civil pensions chargeable on the revenues are of large amount, and the payments within the year fluctuate considerably. Those of 1829-30 fell short of the usual amount to the extent stated of 14 lacs of rupees. The advances and payments on account of the manufacture of salt were, in 1829-30, only Rs. 29,79,003, which is full 10 lacs below the usual amount. The other minor adjustments seem justifiable on a comparison with 1829-30.

The charge of *Interest on the Debt* requires particular attention, and will be noticed shortly.

As it respects the Civil and Military charges, while, as already observed, an adjusted estimate, framed upon the experience of the latest actual results, may be considered as presenting the most probable view of the future, it has been considered desirable to ascertain how far the sums thus produced would be corroborated by a different process, namely, by adjusting the expenditure of a previous year (after excluding extraordinary charges peculiar to that year,) with the whole amount of reductions ordered since the expiration of that year, as far as it can be ascertained. Although the result of such a test can only be considered approximative, still, in framing an estimate which is necessarily liable to uncertainty, an additional check drawn from materials prepared for a different purpose, will further aid the judgment as to its probable accuracy. With regard to the amount of reductions ordered since the more vigorous retrenchments began, which followed the close of the Burmese war, those which were calculated to improve the financial results of the year 1828-29, were shown in statements laid before the Committee of the House of Lords in 1830*. Additional reductions were computed with reference still to that year in the Prospective Estimates laid before the Committee of the House of Commons in March and July 1831†; but in a statement called for by the Board, and dated 22d February 1832‡, a more particular detail of the whole of the reductions of Indian allowances and establishments ordered, both Civil and Military, from the preceding year, 1827-28, when the principal retrenchments commenced, down to the period of the latest advices, has been furnished by the Court, and has since been laid before the Committee. The various heads of Indian charge have been examined, with a view to ascertain the effect to be expected from these reductions when they shall have attained their full operation, and by deducting their amount from the adjusted charge of the year 1827-28, the future probable charge will be nearly ascertained. The result of the examination thus made will be noticed in the course of these remarks.

Bengal

* Report from Lords' Committee, printed for the House of Commons, p. 525.

† Minutes of Evidence, 1830-31, p. 170. Report of Commons' Committee, 1831, p. 558.

‡ Vide Financial Appendix, No. 7.

Bengal Charges.

Appendix, No. 23.

Memorandum on
the Court's Pro-
spective Estimate
of 10 March 1832.

* Appendix (B.)

For greater convenience of comparison in the Abstract Statement* already referred to, the *Civil Charges* of Bengal in the three years 1827-28 to 1829-30, and according to the Prospective Estimate, exclusive of the expense of buildings and fortifications, and of interest on debt, have been brought into a total. From this total has been deducted, for the purpose of comparison, all charges on account of Malwa opium, which are excluded from the Prospective Estimate, besides the advances for the manufacture both of Bengal opium and of salt, which do not constitute an expense of establishment.

The net Civil Charges will then stand thus :

In 1827-28	-	-	-	-	-	-	-	Sa. Rs. 4,22,52,580
1828-29	-	-	-	-	-	-	-	3,82,83,353
1829-30	-	-	-	-	-	-	-	3,36,92,457
and by the Prospective Estimate	-	-	-	-	-	-	-	3,61,41,100

The effect of the proposed adjustment of the several heads of the charges of 1827-28, by deducting the extraordinary expenditure of the year and applying to each head the total computed reductions, will now be shown. The total of the reductions is taken, for although the whole may not be fully effected by the year 1834, some few, on the other hand, were effected before the close of 1827-28, and are not included in the Statement.

The charges in the various departments have been minutely examined upon the above principle, and the reductions applied to each head ; and the following Statement shows the general result :

Net Civil Charges of 1827-28, exclusive of buildings and interest - Sa. Rs. 4,22,52,580

Deduct, for arrears and extraordinaries, included in 1827-28

under the several heads	-	-	-	-	-	-	-	Rs. 28,84,000
Civil and Marine reductions, per Statement of								
22d February last	-	-	-	-	-	-	-	23,77,980
Reductions of provincial battalions, classed with								
Civil Charges, but included in the Military								
reductions in that Statement	-	-	-	-	-	-	-	7,02,625
								<u>59,64,605</u>

Net adjusted Civil Charges of 1827-28 - - Sa. Rs. 3,62,87,975

This view of the charges may therefore be considered as corroborating the Prospective Estimate of Rs. 3,61,41,100. The amounts shown in that document, which is founded upon the accounts of 1829-30, being taken rather low, in comparison with the adjusted charge of 1827-28, indicates that the reductions have operated effectively in the year 1829-30, and may be expected to do so equally in future.

The expense of *Buildings and Fortifications* is estimated at 33 lacs, which is nearly five lacs more than in 1829-30, but it is less than in the two preceding years. For 1830-31, it is estimated at Rs. 30,14,200, and the estimates of this expenditure are usually exceeded.

The *Military Charge* of Bengal was in 1827-28 - - - Sa. Rs. 3,86,57,753

Arrears of war charges were defrayed in that year, amounting to - 5,07,123

There remains - - - Rs. 3,81,50,630

The reductions are computed at - - - Rs. 50,54,063

From which deducting those of the provincial battalions
taken in the Civil branch - - - 7,02,625

There remains to be deducted - - - 43,51,438

Leaving as the future Prospective Charge, in this view - Sa. Rs. 3,37,99,192

The Prospective Estimate founded upon the accounts of 1829-30 takes the charge at 328 lacs of sicca rupees. It is to be observed, that some reductions of the army took place prior to those contained in the Statement of February 1832. Their precise effect cannot with accuracy be ascertained, as separate accounts of reductions were not then kept, but a lower estimate of military charge, founded as it is upon the expenditure of 1829-30, may on the above ground be admissible.

The charge for *Interest* on the Bengal debt, computed in the Prospective Estimate at Sa. Rs. 1,99,91,200, demands particular consideration. As all the principal operations connected with the debt of India are carried on at Calcutta, under the superintendence of the Supreme Government, the Interest here estimated is regulated by the amount of debt which, it is considered, will probably be required to answer all the demands upon the Indian treasuries which the ordinary resources from revenue are not equal to meet.

Appendix, No. 23.

Memorandum on
the Court's Pro-
spective Estimate
of 10 March 1832.

The amount actually paid for interest in 1829-30, was *Sa. Rs.* 1,53,48,508
But the amount actually due upon the then existing debt is taken by the
Court at - - - - - *Sa. Rs.* 1,61,50,000
It was actually *Rs.* 1,61,84,193.

It is computed by the Court that further debt will be incurred in 1832-33
and 1833-34 to cover the Home charges, to remit bullion in repayment of
a part of the debt due to the Commercial branch, and to pay to the captors
the Deccan and Bhurtpore booty, amounting in all to *Sa. Rs.* 1,70,00,000, the
interest on which, at five per cent. per annum, is - - - - - 8,50,000

Sa. Rs. 1,70,00,000

The remaining debt due to the Commercial branch in 1834 was computed
by the Court, in an Estimate prepared for the Committee of the House of
Commons in July 1831, at - - - - - £. 3,440,946
And the interest upon it at - - - - - 2,292,176

Making a Total of - - - £. 5,733,122

Five per cent. interest upon that sum is 286,656*l.*, to realize which at
1*s.* 11*d.* per sicca rupee, they considered would require to be remitted
from India - - - - - *Rs.* 29,91,200

Making the Total Interest - - *Sa. Rs.* 1,99,91,200

But this calculation assumed, in accordance with the Order of the Com-
mittee, that the advances to Commerce since 1829 were to be repaid at 1*s.* 11*d.*
per sicca rupee, and that the same rate is to be applied to the entire balance
due to the Commercial branch in 1834, whereas the rates established by the
Board are those applicable to both. The use of these rates the Court have
now estimated would diminish the total debt to Commerce to 3,378,584*l.*,
to which they add the expected loss in effecting remittances to meet interest
bills, estimated at 1,300,000*l.* (not before included), making the total
4,678,584*l.* It is now assumed by the Court that this sum is repaid at
1*s.* 9.247*d.* per sicca rupee, to effect which additional debt must be incurred,
occasioning a charge for interest which would fall short of the former calcu-
lation only to the amount of - - - - - 3,48,799

Leaving the Net Amount of annual Interest payable in Bengal - *Sa. Rs.* 1,96,42,401

The first inquiry suggested by this part of the Estimate is, to what extent loans are likely
to be required to carry on the public service to 30th April 1834.

The Estimates for India for the years 1830-31* and 1831-32 assume, that in the former
year 48 lacs of new debt at interest would be incurred, and in the latter 79 lacs would be
paid off, after providing for the required remittance of one crore of rupees to England, and
the payment of the Deccan and Bhurtpore prize property. This would show a net decrease
of debt in April 1832 of 31 lacs, but this decrease cannot be relied upon, as it is known
that the Indian surplus revenue of 1830-31, assumed at 185 lacs of rupees, including the
charge of stores received from Europe, will, so far as Bombay is concerned, fall short of
being realized by about 30 lacs of rupees. The land revenue of Bengal will also have
fallen below the estimated produce by nearly 15 lacs, reducing the local surplus from 185
to 140 lacs. The Home charges of 1830-31, excluding Territorial stores, would require
about 122 lacs of sicca rupees, and may probably have been met by the surplus; but it is
very unlikely that debt could also have been discharged from it.

The result of 1831-32 was expected by the Bengal Accountant-general, in his Sketch
Estimate, to be 44 lacs more favourable than the preceding year. The retrenchments of
a prospective character may somewhat improve the result, but not to that extent, and other
improvements are of very doubtful character. It may however be fairly presumed, that the
Indian surplus, with some aid to be derived from the cash balances, if it is found insuffi-
cient,

* 1830-31 : Estimated Debt at Interest.

Bengal, incurred	-	-	-	-	-	-	Net 24,78,744
Madras, ditto	-	-	-	-	-	-	18,94,100
Bombay, ditto	-	-	-	-	-	-	4,54,000

Total to be incurred - - - *Rs.* 48,26,844

1831-32 : Estimated Debt at Interest.

Bengal, paid off at interest	-	-	-	-	-	-	Net 92,85,300
Madras, incurred	-	-	-	-	-	-	13,70,830

To be paid off—Difference - - - *Rs.* 79,14,470

cient, will furnish the means to defray the Home charges in 1830-31 and 1831-32 taken together, and if the years 1832-33 and 1833-34 yield similar results, no additional debt will be required to meet those charges. An extraordinary remittance to England in 1832-33 is ordered of 600,000*l.* to meet the wants of the Home Treasury for 1833-34, which may render it necessary to borrow that amount, or, at 1*s.* 11*d.* per rupee, the rate of a bullion remittance, *Sa.* Rs. 62,60,869. 62½ lacs, if borrowed at five per cent., would occasion an increase to the interest in 1829-30, taken at - - *Sa.* Rs. 1,61,84,193

Of - - - - - 3,13,000

Making a Total of - - - 1,64,97,193

Instead of the amount assumed by the Court - - - 1,70,00,000

With respect to the debt that would still be due from Territory to Commerce, it is supposed in the Estimate to occasion a further charge for interest of - *Sa.* Rs. 29,91,200

Or, after deducting the adjustment for exchange - - - 3,48,799

A further Charge of - - - *Rs.* 26,42,401

In this statement it is computed by the Court, that the balance due in 1834 shall be repaid at such rate as shall realize the amount of that balance in England, for which purpose the rate of 1*s.* 9.247*d.* per sicca rupee is employed. It is to be presumed, however, that the balance will be repaid in India for investment or remittance at the rate established for all transactions between the two branches, viz. 2*s.* 3.84*d.* per sicca rupee. Moreover, the charge for loss on remittances to meet Interest Bills, as it is calculated by the Court, has been disallowed by the Board: an account of any such loss has been directed to be prepared upon a modified principle, but it has not yet been received. It is very difficult to estimate with any precision what sum may be due upon the amount between the two branches in 1834. For the present it has been thought advisable to draw out the account between the Territorial and Commercial branches*, from 30th April 1829, in a more simple form, from materials contained in the accounts prepared at the India House, but using exclusively the Board's rates of exchange, giving credit for the remittances as actually ordered, and omitting for the present the loss on remittances to meet interest bills.

The result is, that a balance would remain outstanding on 30th April 1834, consisting of

Principal - - - - - £. 1,634,271

And adding Interest, as computed by the Court - - - 2,149,309

The Total Balance would be - - - £. 3,783,580

But the Board have determined that a different mode of computing interest shall be adopted, and that the amount of unappropriated surplus profits shall in each year be deducted from the balances on which the Court have calculated interest, since those profits which are applicable to Territorial purposes, have in part supplied the means of paying the Territorial charges in England. This alteration, it is estimated, will reduce the amount of interest during the whole period by about 1,300,000*l.*, leaving the balance at 2,483,580*l.*, which if raised in Bengal, would require at the Board's rates, *Sa.* Rs. 2,14,10,172 to repay it; occasioning an annual charge at five per cent. interest of - - - *Sa.* Rs. 10,70,508

which added to the interest before shown, viz. - - - 1,64,97,193

will make the total Charge for Interest in Bengal after 1834 - - - 1,75,67,701

The Interest estimated by the Court being - - - 1,96,42,401

the decrease under the head of Interest at Bengal will be - - - *Sa.* Rs. 20,74,700

This charge for Interest will be subject to increase by the interest on any sum allowed by the Board for loss on remittances to meet Interest Bills, and to reduction in so far as Surplus Commercial Profits are applied to the discharge of India debt under the 57th section of the Act of 53 Geo. 3, c. 155. The amount of these sums, and especially of the latter, is dependant on so many contingencies, that they cannot be estimated at this time with any accuracy.

The total Charges of Bengal, including Interest on the Debt, are taken in the Court's Prospective Estimate, at - - - *Sa.* Rs. 9,74,83,501

or at 2*s.* per current rupee - - - £. 11,308,086

The total Revenues of that Presidency being estimated at - - - 13,327,240

a surplus Revenue is thus expected to be realized in Bengal to the amount of - £. 2,019,154

The proposed alterations of this Estimate will be applied hereafter.

Madras

* Appendix (D).

Appendix, No. 23.

Memorandum on
the Court's Pro-
spective Estimate
of 10 March 1832.*Madras Charges.*

The irregularity in the amount of the Charges of recent years which has been noticed with regard to the Charges of Bengal, is not observable in those of Madras. The Court assume that the entire expenditure of the latter Presidency will be Madras rupees 4,60,72,520.

The adjustments made upon the expenditure of 1829-30, are as follow :

Total Charges of 1829-30	- - - - -	Ms. Rs. 4,77,74,953
Add—		
Future payment to Tanjore creditors	- - - - -	Rs. 6,39,720
Further Interest on the Carnatic Fund, and small adjustments	- - - - -	1,57,847
		<u>7,97,567</u>
		4,85,72,520
Deduct—		
Further Civil Reductions	- - - - -	Rs. 5,00,000
Further Military Reductions	- - - - -	20,00,000
		<u>25,00,000</u>
Total Charges, per Prospective Estimate	- -	Ms. Rs. 4,60,72,520

Applying to the Charges of the several departments the adjustments upon the results of 1827-28 for extraordinaries and for reductions, as in the Bengal Charges, the total net amount will thus appear:

The *Civil Charges*, exclusive of Buildings and Fortifications, and Interest on Debt, were in 1827-28 - - - - - Ms. Rs. 1,77,46,754

Deduct—		
Excess of Charge for repair of Tanks, &c. in that year	-	Rs. 4,00,000
Reductions in Civil and Marine Departments, according to Statement of 22d February last	- - - - -	9,64,432
		<u>13,64,432</u>

Net adjusted Civil Charge - - Ms. Rs. 1,63,82,322

The Prospective Estimate assumes those Charges at Rs. 1,68,97,097.

The Civil Charges of the Madras Presidency might on this view be estimated somewhat lower; but as the more extensive Civil Charges of Bengal have been taken on a low scale, it would not be safe to assume a less amount of Civil Charge in the aggregate than the Court have taken.

The Charge for *Buildings and Fortifications* is estimated at Rs. 8,85,000. In 1829-30 it was Rs. 9,91,532: the average between this and previous years seems to have been adopted.

The *Military Charges* are estimated at Rs. 2,57,00,000.

Those of the year 1827-28 were - - - - - Ms. Rs. 3,41,03,300

But in that year a large sum was brought to account for War

Charges and Arrears of not less than - - - - - Rs. 56,00,000

The Reductions, according to the Statement before

referred to, are computed at - - - - - 29,22,806

Together - - - 85,22,806

Leaving a net adjusted Charge of - - Ms. Rs. 2,55,80,494

which approximates very nearly to the Court's Estimate.

The Interest on the Debt is supposed to increase to 20 lacs of rupees. The increase chiefly arises from the gradual accumulation of the Carnatic Deposit, or the fund set apart from the revenues of the Carnatic for the discharge of the debts of the late Nabobs. This fund will not be equal to the discharge of those debts till some time after the year 1834, so that the full charge is taken in the Estimate.

The total Charges of Madras are estimated at	- - - - -	Ms. Rs. 4,60,72,520
or at 8s per pagoda, equal to 3½ rupees	- - - - -	£. 5,265,431
The Revenues having been taken at	- - - - -	5,451,554

a surplus Revenue is expected at Madras amounting to - £. 186,123

Bombay Charges.

The Charges of this Presidency have too frequently exceeded the Estimates, and their aggregate amount very far exceeds all the receipts which have hitherto been realized to meet them. The retrenchments, however, which have taken place in every department, have, of late years, considerably reduced the expenditure.

The

The adjustments made by the Court upon the charges of 1829-30, in framing their Prospective Estimate, are as follow :

Appendix, No. 23.

Memorandum on
the Court's Pro-
spective Estimate
of 10 March 1832.

The total Charges of that year were - - - - - By Rs. 3,21,95,341

Deduct further reductions :

Civil Department	-	-	-	-	-	-	Rs. 5,50,000
Marine ditto	-	-	-	-	-	-	2,00,000
Military ditto	-	-	-	-	-	-	19,00,000

26,50,000

Sundry small adjustments - - - - - 1,15,341

27,65,341

Total Charges, per Prospective Estimate - - - Rs. 2,94,30,000

The further saving from reductions is calculated to arise from such as had not taken effect on the 30th April 1830.

In making adjustments upon the amount of charge in 1827-28, it is necessary to bear in mind that in the General department some alterations have occurred since that year, the effect of which is not shown in the statement of reductions, but which have operated to increase the real or apparent amount of present charge; such are the charges on the stamp revenue not previously included as charge, the net revenue only being stated, and the additional payment to the Civil funds.

The *Civil* Charges, excluding Buildings and Interest, adjusted in like manner with those of Bengal and Madras, were, in 1827-28 - - - - - By Rs. 1,63,42,927

Deduct excess of charge for Pensions in that year - - - Rs. 11,42,000

Reductions in Civil and Marine departments, per Statement
of 22d February last - - - - - 11,52,698

22,94,698

Less, charges on account of Stamps, added since
1827-28 - - - - - Rs. 1,66,488

Additional charge for Civil fund - - - - - 1,12,000

2,78,488

20,16,210

Net adjusted Civil Charge - - - Rs. 1,43,26,717

The Prospective Estimate states this charge at Rs. 1,44,00,000.

The charge for *Buildings and Fortifications*, estimated at 11 lacs, is taken lower than in the three previous years.

The *Military* Charges have been very materially reduced at this Presidency. In 1827-28, they were - - - - - By Rs. 1,82,38,310

The Contingencies of that year were higher than
usual by about - - - - - Rs. 7,00,000

The Reductions expected, according to the Statement of
22d February last, amount to - - - - - 33,24,000

40,24,000

Leaving a net adjusted Military Charge of - - - Rs. 1,42,14,310

The Court assume the amount at Rs. 1,37,30,000.

Retrenchments are still in progress at Bombay; but it admits of doubt whether so considerable a diminution of military charge will be realized.

The head of *Interest* requires no particular remark.

The total Charges of Bombay being assumed in the Prospective Estimate

at - - - - - By Rs. 2,94,30,000

or at 2s. 3d. per rupee - - - - - £. 3,310,875

and the total Revenues at - - - - - 2,520,000

a deficit is still expected to exist at Bombay to the extent of - - - £. 790,875

Upon the review of the whole of the estimated charges of India there does not appear ground for computing them at amounts materially differing from those assumed by the Court. They seem generally to be estimated with as much care and accuracy as the nature of an expenditure will admit, which is remarkably variable, and is influenced by numerous causes which it is impossible to foresee, especially at a period several years before that to which it relates.

The net Charge of *Prince of Wales' Island, Singapore, &c.* is estimated at Sa. Rs. 5,58,900, or £. 64,832.

Appendix, No. 23.

Memorandum on
the Court's Pro-
spective Estimate
of 10 March 1832.

The general result in India of the Prospective Estimate, calculated at the rates of exchange used in the accounts annually laid before Parliament, is as follows:—

Surplus revenue in Bengal, after deducting the net charge of Prince of Wales' Island, &c.	-	-	-	-	-	-	-	-	-	£. 1,954,322
Surplus revenue at Madras	-	-	-	-	-	-	-	-	-	186,123
										£. 2,140,445
Deficit at Bombay	-	-	-	-	-	-	-	-	-	790,875
Net estimated surplus Revenue in India in this view	-	-	-	-	-	-	-	-	-	£. 1,349,570

The Revenues and Charges of the several Indian governments having been considered, it remains only to notice the Territorial charges paid in England, the amount of which for the last three years, together with the Prospective Estimate of the Court, are shown in a Statement hereunto annexed. (see Appendix (B. 2.))

The Prospective Estimate exhibits the total amount of these charges, including the cost of Political stores, at	-	-	-	-	-	-	-	-	-	£. 1,640,000
In the Prospective Estimate of July 1831 *, the amount was	-	-	-	-	-	-	-	-	-	1,720,405
Being a Decrease of	-	-	-	-	-	-	-	-	-	£. 80,405

Which decrease is ascertained to arise under the following heads:

Passage of military	-	-	-	-	-	-	-	-	-	£. 10,000
Pay, &c. to officers	-	-	-	-	-	-	-	-	-	5,405
Political freight, &c.	-	-	-	-	-	-	-	-	-	5,000
Pay-office demands	-	-	-	-	-	-	-	-	-	10,000
Political stores	-	-	-	-	-	-	-	-	-	50,000
										£. 80,405

The Home charges in the Prospective Estimate are in the aggregate, including the charge of St. Helena, 1,730,000 *l.*, which is a lower amount than in 1828-29 and 1829-30, but higher than in 1830-31. The excess beyond the latter year, however, arises principally under the head of *Political Stores*, for which no more than 138,430 *l.* was paid in 1830-31, being far below the payment in any previous year. The sum of 300,000 *l.*, included in the estimate, must be considered a low Estimate of this expenditure, looking at the average standard of previous years.

The head of *Pay to Officers on Furlough and Retirement* continues at a high amount, as the list has hardly reached its maximum. The effect of the large augmentations of the Indian armies in 1804 to 1807 is now felt, the period having arrived when the officers of those years are claiming their retirement allowance.

The *Pay-office Charges* are taken lower, in consequence of the reduction in the number of King's regiments in India. The charge of the *Civil Establishments for Absentee Allowances* is one of recent occurrence, the full effect of which is not yet experienced, till which time it must gradually increase. Under other heads the expenditure of average years appears to have been assumed.

The general result of the Court's Prospective Estimate, supposing the present system to continue in operation, is shown to be as follows:

Surplus revenue in India	-	-	-	-	-	-	-	-	-	Sa. Rs. 1,17,81,557
Which, at the rates of exchange established in the Plan of 1814, will meet the Home charges to the extent of	-	-	-	-	-	-	-	-	-	£. 1,366,660
But will fall short of defraying the whole of those charges, viz.	-	-	-	-	-	-	-	-	-	1,730,000
										by the sum of - - - £. 363,340

To which the Court add an amount in compensation for the loss alleged to be sustained by the Commercial branch, by remitting funds to meet the bills drawn upon the Home Treasury for interest on India debt. Some compensation may become due on this head, but the principle of calculating it is in dispute. Any reduction in the Court's rate will diminish the charge, but any increase of bills to be drawn† will augment it. The charge, as computed by them, amounts to *Sa. Rs.* 7,80,028, or at the exchange above mentioned

90,483

The Deficit will thus be increased to - - £. 453,823

The

* Evidence printed in October 1831, p. 559.

† Since the date of the Court's Estimate the privilege of drawing bills for interest has been extended, which will occasion an increasing annual payment in this country on that account.

The revenues of India and the charges upon them, abroad and at home, having been reviewed, it remains only to bring together the modifications suggested in the foregoing remarks, which are as follow:

	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	Memorandum on the Court's Pro- spective Estimate of 10 March 1832.
Bengal—Revenue from salt might be taken higher by - - -	5,00,000		
Ditto, Nagpore subsidy, ditto - - - - -	2,00,000		
		7,00,000	
Madras—Revenue from profits of Government bank - - -	<i>Ms. Rs.</i> 80,000		
at 106.62 per 100 sicca rupees		75,033	
Bengal—Charge for interest on debt, should be less by - - -		20,74,700	
Total Improvement - - -	<i>Sa. Rs.</i> 28,49,733		
Which would reduce the deficit under the existing system, as shown by the Court, of - - - - -		39,12,264	
	to - - -	<i>Sa. Rs.</i> 10,62,531	
which, at the Board's rates, would produce - - - - -		£. 123,253	
instead of the sum assumed by the Court - - - - -		453,823	
being a diminution of the Deficiency, amounting to - - -		£. 330,570	

The deficiency of 123,253*l.* will be subject to alteration, according as the circumstances noticed under the head of Interest on Debt in Bengal, shall enhance or diminish that charge; and according as the loss on remitting funds to pay interest bills shall undergo correction.

	<i>Sa. Rs.</i>
The second view taken by the Court, namely, the result in case the present system ceases, and the Territory is left to its own resources, shows the same amount of surplus in India as in the former view - - -	1,17,81,557
From this is deducted the cost of remitting the funds for interest bills, and for advances to various institutions not included in the Home charges, which at 1 <i>s.</i> 9.247 <i>d.</i> per sicca rupee, would require an additional sum of -	14,25,747
This charge would in the case, and at the rate of remittance, supposed, be no longer a doubtful or disputed one, for the loss sustained must then be made good, as the present regulation will have ceased. There would then be applicable to the Home charges - - - - -	1,03,55,810
The improvement above shown as resulting from the modifications suggested in the Prospective Estimate, namely - - - - -	28,49,733
will add that amount to the Indian surplus, making the Total - - -	<i>Sa. Rs.</i> 1,32,05,543

which if remitted at 1 <i>s.</i> 9.247 <i>d.</i> per rupee, will produce - - -	£. 1,169,076
and the Home charges amounting to - - - - -	1,730,000

the Deficiency will be reduced to - - - £.* 560,924

subject to the possible alterations under the head of Interest, above noticed.

To this result would be added, according to the Court's view of their ultimate claims, interest on the expenditure of † 3,616,113*l.* in India, in the wars which preceded the acquisition of the Dewannee - - - - -

And interest on the Home-bond debt, taken at 3,600,000*l.*, alleged to be Territorial - - - - -

Making the total annual Deficiency - - - £. 831,729

Besides any interest or annual payment on account of any property of the Company, in their Commercial capacity, existing upon the Indian territories.

It should be clearly understood that the deficiency assumed in the views above given is the estimated result of the Indian finances in the year 1834, provided that no material defalcation of resources occurs; that the whole of the reductions actually ordered are carried into effect; that they are not counteracted by subsequent increase of charge; that peace continues, both in India and in Europe; and on the other hand, that the remittances to meet the Territorial charges in England cannot be effected at a more favourable rate than that assumed by the Court, of 1*s.* 9.247*d.* per sicca rupee. Considering the great uncertainty at what rate the remittances can be effected through other than the channels hitherto employed, and the probability that much may be realized by bills on India, to which operation the rate assumed applies, it has appeared safer and better suited to the present purpose of estimating the contingent state of the Indian finances at a distant period, not to alter the rate of remittance adopted by the Court.

It

* A Prospective Estimate presented to the House of Lords, since the date of this Memorandum (5 July 1832), varies in some respects from the present, the principle of statement prescribed by the terms of their Lordship's order being different, and the period not exclusively confined, as in this case, to the year 1834.

Appendix, No. 23.

Memorandum on
the Court's Pro-
spective Estimate
of 10 March 1832.

It is not the object of the present remarks to enter into the important consideration of the prospects that may be supposed to exist for the further amelioration of the Indian finances, so as to render India financially independent of extraneous aid, to enable it to reduce the debts incurred during the prosecution of expensive wars, and to render it better prepared to sustain the expense of hostilities or hostile preparations, should they become necessary; but it may not be irrelevant to offer a concluding observation or two bearing on that subject.

It must be admitted that, in reference to the above-mentioned objects, the result of the Indian finances, whether present or prospective, is far from satisfactory. There is little or no prospect of its improvement by means of new or increased resources; retrenchment and economy in expenditure appear to be the chief remedy. Much has been effected in the way of retrenchment during the last few years, and it is satisfactory to observe that the expenditure has been brought more nearly to accord with the income; but if retrenchment be the only available means of improvement, much more remains to be done, and according to the views taken by the home authorities, as will be presently referred to, it is not unreasonable to expect that more may still be effected.

In the Statement of Reductions*, which has been frequently noticed, two columns are introduced, one showing to what extent the important recommendations of the Civil Finance Committee, who were long and laboriously engaged in Calcutta in revising the civil establishments of all the Presidencies, had been carried into effect; the other showing to what extent those recommendations had not yet been acted upon. It is not improbable that some of these latter recommendations, which by the last advices were under consideration, have before this time been adopted. Several of the more extensive measures, however, involve material and fundamental alterations of system, the consideration of which requires mature deliberation and caution, and several could only be adopted under authority of the Legislature, while in proportion as the changes proposed are extensive and untried, the financial benefit of them must be considered as less certain. But independently of greater changes, there would appear to be scope for considerable amelioration, on a comparison of the present standard of expenditure with that of the year 1823-24, to which, as being that of a recent year of peace in India, preceding the last war with the Burmese State, the Court, in their letter of 12th December 1827, directed that it should be reduced. The extent to which that object remains unaccomplished is shown by the Accountant-general of Bengal (Mr. Morley), in a comparative Statement inserted in his letter of 15th June 1831, upon which he makes the following remarks:

"The following Statement of the actual charges of the year 1829-30, contrasted with those of 1823-24, is framed upon the principle laid down in the 14th paragraph of the Honourable Court's despatch, under date 12th December 1827, from which it will appear, that in order to regain the level of the expenditure of the year 1823-24, prescribed by the Honourable Court as the scale by which the charges of the Government should be regulated, your Honourable Vice-president in Council will have to effect further reduction of charges to the extent of about 80 lacs of rupees."

The comparative Statement to which Mr. Morley refers is appended to this paper†. It is, however, to be observed, that a large portion of the excess beyond the charge of 1823-24 consists of increase of interest on the debt, which is stated to amount to nearly 32 lacs of rupees, the reduction of which must depend upon the more distant and difficult operation of the diminution of the India debt, or of the rate of interest paid upon it. But, independently of this amount, there remains a balance of 48 lacs, in which the existing establishments exceed those which were found sufficient for the government of India previously to the breaking out of the Burmese war. If the new charge of the districts ceded by that power is deducted, namely, seven lacs of rupees, the balance or net excess is 41 lacs, exclusive of increased interest.

The object of retrenchment has been further impressed upon the Indian government, since the date of the orders of 12th December 1827, above referred to. The Court's circular letter of 10th March 1830, drew their attention to the considerable excess in the civil charges above their amount in 1816-17, as apparent on a comparison of the establishments of that year with those of 1826-27, as laid before Parliament, and they were directed to reconsider every item of increased charge, and every augmentation in the number of persons employed, both European and Native, with a view of reducing, as far as practicable, the offices, establishments and salaries to the state in which they were in 1816-17, after allowing for increase from annexations of territory since that period.

In the letter to Bengal, Statements of the comparative rate of the various heads of charge were transmitted; and that Government was particularly directed to consider the augmented rate of charge for collecting the land revenues and customs, the former, in the Lower Provinces, having increased from $4\frac{2}{3}$ to 8 per cent., and the latter from $10\frac{1}{3}$ to 19 per cent.

Information has since been received from Bengal, that, in September 1830, the civil auditor had been directed to prepare statements in conformity with the instructions above referred to, with a view to the reduction of the charges, as far as practicable, to the standard of 1816-17. No advice of further proceedings has yet been received.

India Board, 9th May 1832.

Wm. Leach.

* *Vide* Financial Appendix, No. 7.

† *Vide* Financial Appendix, No. 5.

Appendix, No. 23.

APPENDIX TO MEMORANDUM ON THE PROSPECTIVE ESTIMATE.

(A.) Details of
the Court's Pro-
spective Estimate
of 10 March 1832.

(A.)

DETAILS of the PROSPECTIVE ESTIMATE of the INDIAN FINANCES, forwarded with Mr. Auber's Letter to the Board, dated the 10th ultimo, drawn out on the same principle as those of the Estimate presented to the Select Committee of the House of Commons in July 1831.

	BENGAL.	MADRAS.	BOMBAY.
REVENUES:	<i>Sicca Rupees.</i>	<i>Madras Rupees.</i>	<i>Bombay Rupees.</i>
Mints, Post-office, Stamps, Judicial -	44,00,000	9,00,000	6,00,000
Land Revenue, &c. - - - -	7,06,00,000	3,45,00,000	1,63,50,000
Customs - - - - -	67,50,000	51,00,000	41,00,000
Ceded Territory (including Burmese Cessions) - - - - -	43,50,000	—	—
Salt - - - - -	1,80,00,000	37,00,000	2,00,000
Opium - - - - -	1,00,00,000	- - -	10,00,000
Marine - - - - -	2,90,000	68,000	1,50,000
Subsidies - - - - -	5,00,000	34,33,100	—
	11,48,90,000	4,77,01,100	2,24,00,000
		at 106.62 to 100 Siccas.	
<i>Sicca Rupees</i>	11,48,90,000	4,47,39,355	2,10,09,192
TOTAL Revenues of India - - -		<i>Sicca Rupees</i>	18,06,38,547

	BENGAL.	MADRAS.	BOMBAY.
CHARGES:	<i>Sicca Rupees.</i>	<i>Madras Rupees.</i>	<i>Bombay Rupees.</i>
Civil Charges (including Provincial Battalions) - - - - -	77,00,000	28,00,000	44,50,000
Mints, Post-office, Stamps - - -	15,00,000	5,10,000	3,50,000
Judicial - - - - -	89,00,000	31,50,000	24,00,000
Land Revenue, &c. and Customs -	1,38,00,000	95,00,000	57,00,000
Ceded Territory (including Burmese Cessions) - - - - -	11,00,000	—	—
Salt - - - - -	58,00,000	7,20,000	—
Opium - - - - -	25,00,000	—	—
Marine - - - - -	10,00,000	1,67,800	15,00,000
Buildings, &c. - - - - -	33,00,000	8,85,000	11,00,000
Military - - - - -	3,28,00,000	2,57,00,000	1,37,30,000
Tanjore Deposit - - - - -	- - -	6,39,720	—
Interest - - - - -	1,99,91,200	20,00,000	2,00,000
	9,83,91,200	4,60,72,520	2,94,30,000
		at 106.62 to 100 Siccas.	
<i>Sicca Rupees</i>	9,83,91,200	4,32,11,892	2,76,02,701
TOTAL Charges of India - - -		<i>Sicca Rupees</i>	16,92,05,793
Indian Surplus - - - - -			1,14,32,754
		<i>Sicca Rupees</i>	18,06,38,547

(Errors excepted.)

East India House, }
12 April 1832. }(signed) James C. Melvill,
Aud^r Indian Acco^{ts}.

(B. 1.)

PROSPECTIVE ESTIMATE of the State of the FINANCES of INDIA at the close of the East India Company's present Term, transmitted to the Board by the Court of Directors, on the 10th March 1832, compared with the Actual Accounts of those Finances in the three Years 1827-28 to 1829-30, and with the Estimates for the Year 1830-31: the whole framed, generally, on the principles of the Accounts presented to Parliament.

	Actual, 1827-28.	Actual, 1828-29.	Actual, 1829-30.	Court's Prospective Estimate of 10 March 1832.	Regular Estimate, 1830-31.
	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>
BENGAL REVENUES:					
Mints - - - - -	Sk. Est. 50,80,000	46,95,000	46,09,000		
Post-office - - - - -	Reg. Est. 47,07,000	45,85,000	46,32,000		
Stamps - - - - -	47,61,390	43,89,846	45,20,823	44,00,000	47,20,000
Judicial - - - - -					
	Sk. Est. 7,14,70,000	7,21,30,000	7,17,00,000		
	Reg. Est. 7,23,90,000	7,14,90,000	7,17,30,000		
Land, &c. Revenue - -	7,17,80,522	7,06,66,812	7,06,58,714	7,06,00,000	7,18,75,000
	Sk. Est. 67,00,000	69,40,000	70,00,000		Probable Actual,
	Reg. Est. 70,15,000	69,00,000	70,60,000		7,04,02,000
Customs - - - - -	71,70,115	72,04,061	65,21,307	67,50,000	67,52,000
	Sk. Est. 49,50,000	52,50,000	51,00,000		
	Reg. Est. 31,95,000	50,90,000	46,20,000		
Ceded Territory and Tributes	40,12,985	39,47,613	33,55,579	43,50,000	45,65,000
Burmese Cessions - -	7,54,197	10,11,435	9,49,279		10,57,000
	Sk. Est. 2,05,50,000	2,00,00,000	1,68,10,000		
	Reg. Est. 2,11,00,000	1,94,00,000	1,66,50,000		
Salt - - - - -	2,05,36,873	1,96,10,556	1,64,34,370	1,80,00,000	1,83,00,000
	Sk. Est. 1,33,00,000	1,60,00,000	1,51,20,000		
	Reg. Est. 1,69,20,000	1,55,60,000	1,51,50,000		
Opium - - - - -	1,76,86,387	1,66,45,613	1,52,62,092	1,00,00,000	1,37,00,000
Behar and Benares } 1826-27:					
Opium, included above } 81,48,533	1,14,85,943	1,11,94,842	1,11,07,859	The whole.	1,24,00,000
Marine - - - - -	3,31,775	3,16,608	2,89,995	2,90,000	3,05,000
Nagpore Subsidy - - -	- - -	- - -	- - -	5,00,000	5,70,000
TOTAL, exclusive of Tem- } Rs.	12,70,34,244	12,37,92,544	11,79,92,159	11,48,90,000	12,18,44,000
porary Receipts - - -					
Receipts from Ava - -	16,03,537	14,99,111	7,92,747	- - -	6,00,000
Do. - Bhurtpore - -	- - -	7,74,291	3,98,544	- - -	3,00,000
Do. - Scindia - - -	- - -	13,89,826	-	-	-
TOTAL Bengal Revenues - Rs.	12,86,37,781	12,74,55,772	11,91,83,450	- - -	12,27,44,000
Or, at the rate used in the Par- } liamentary Accounts, viz. 2 s. per Current Rupee - -	£. 14,921,983	£. 14,784,870	£. 13,825,280	£. 13,327,240	£. 14,238,304
MADRAS REVENUES:					
	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>
Mints - - - - -					
Post-office - - - - -					
Stamps - - - - -	9,31,710	9,20,590	8,97,884	9,00,000	9,24,729
Judicial - - - - -					
	Sk. Est. 3,72,95,000	3,66,57,400	3,60,50,000		
	Reg. Est. 3,67,31,997	3,64,72,973	3,63,66,253		
Land, &c. Revenue, including	3,42,92,262	3,48,15,231	3,36,99,778	3,45,00,000	3,46,50,777
Tobacco - - - - -					

	Actual, 1827-28.	Actual, 1828-29.	Actual, 1829-30.	Court's Prospective Estimate of 10 March 1832.	Regular Estimate, 1830-31.
	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>
MADRAS REVENUES— <i>contd.</i>	Sk. Est. 46,55,000 Reg. Est. 48,58,567	48,97,000 51,79,586	51,39,600 53,03,568		
Customs - - - -	49,58,881	53,37,560	51,68,848	51,00,000	51,67,725
	Sk. Est. 30,50,000 Reg. Est. 28,13,448	29,00,000 34,96,865	34,50,000 35,86,742		
Salt - - - -	30,29,183	35,38,644	41,08,391	37,00,000	40,00,000
Marine - - - -	68,275	68,667	78,373	68,000	67,500
Subsidies - - - -	34,33,111	34,33,111	34,33,111	34,33,100	34,33,111
Profits of the Government Bank	80,164	87,615	—	—	—
TOTAL - - - <i>Rs.</i>	4,67,93,586	4,82,01,418	4,73,86,385	4,77,01,100	4,82,43,842
Or, at the Parliamentary rate, viz. 2s. 3 $\frac{3}{4}$ d. p' rupee }	£. 5,347,838	- - -	£. 5,715,587	£. 5,451,554	£. 5,513,582
Native Pension Fund - - -		5,80,262			
		4,87,81,680			
	£.	5,575,049			
BOMBAY REVENUES:	<i>By. Rs.</i>	<i>By. Rs.</i>	<i>By. Rs.</i>	<i>By. Rs.</i>	<i>By. Rs.</i>
Mint - - - -	3,65,103	3,15,494	6,02,168	6,00,000	6,07,300
Post-office - - - -					
Stamps - - - -					
Judicial - - - -					
	Sk. Est. 1,75,00,000 Reg. Est. 1,92,62,400	1,80,14,000 1,90,04,300	1,85,06,300 1,86,54,900		
Land, &c. - - - -	1,83,84,563	1,61,62,103	1,61,17,261	1,63,50,000	1,81,24,700
	Sk. Est. 29,28,500 Reg. Est. 34,01,740	34,01,000 41,49,050	40,06,000 40,98,000		
Customs - - - -	35,08,188	37,68,490	42,96,088	41,00,000	41,54,100
	Sk. Est. 1,66,100 Reg. Est. 1,53,840	1,59,500 1,92,800	1,85,400 1,83,900		
Salt - - - -	1,77,190	1,85,820	2,43,129	2,00,000	2,18,400
Marine - - - -	1,63,405	2,95,223	2,65,289	1,50,000	2,33,200
Opium - - - -	- - -	- - -	- - -	10,00,000	14,00,000
TOTAL - - - <i>Rs.</i>	2,25,98,449	2,07,27,130	2,15,23,935	2,24,00,000	2,47,37,700
Or, at the Parliamentary rate, viz. 2s. 3d. p' rupee }	£. 2,542,325	£. 2,331,802	£. 2,421,443	£. 2,520,000	£. 2,782,991
PRINCE OF WALES ISLAND REVENUES:	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>
Land Revenue - - -	3,88,610	4,13,624	2,83,596	- - -	5,31,000
	£. 45,079	£. 47,980	£. 32,897	- - -	£. 61,596

(continued)

	Actual, 1827-28.	Actual, 1828-29.	Actual, 1829-30.	Court's Prospective Estimate of 10 March 1832.	Regular Estimate, 1830-31.
	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i> 77,00,000 5,58,900 *	<i>Sa. Rs.</i>
BENGAL CHARGES:					
Civil, including Provincial Bat- talions - - - - }	1,07,29,813	83,82,834	77,79,114	71,41,100	80,29,596
Mint - - - - }					
Post-office - - - - }	19,17,145	16,03,219	15,77,840	15,00,000	14,44,000
Stamps - - - - }					
Judicial - - - - -	96,74,099	91,78,952	73,88,775	89,00,000	94,06,000
Land Revenue, &c. - -	1,37,71,538	1,31,22,347	1,07,95,315	1,38,00,000	{ 1,51,34,000 9,69,000
Customs - - - - -	10,93,172	10,74,922	9,32,308		
Ceded Territory - - -	5,94,157	5,69,663	11,90,820	11,00,000	{ 7,33,000 7,15,000
Burmese Cessions - -	7,14,713	4,52,458	7,34,362		
Salt Advances and Charges -	69,68,296	76,21,151	47,24,328	58,00,000	40,00,000
Opium - - - - -	56,74,607	58,49,603	41,46,656	25,00,000	31,96,957
Marine - - - - -	10,15,044	10,21,165	11,07,311	10,00,000	10,71,835
TOTAL Civil Charges - -	5,21,52,584	4,88,76,314	4,03,76,829	4,17,41,100	4,46,99,388
<i>Deduct, Charge of Malwa Opium, Ad- vances for Salt and Opium, &c.</i>	99,00,004	1,05,92,961	66,84,372	Supposed, 56,00,000	52,10,750
Net Civil Charges - - -	4,22,52,580	3,82,83,353	3,36,92,457	3,61,41,100	3,94,88,638
Buildings and Fortifications -	47,28,366	34,21,794	28,38,752	33,00,000	30,14,200
Military - - - - -	3,86,57,753	3,66,52,804	3,47,76,829	3,28,00,000	3,34,05,569
Interest on Debt - - -	1,47,60,802	1,62,98,318	1,53,48,508	1,99,91,200 3,48,799	1,68,00,000
TOTAL Bengal Charges, exclusive of Temporary Heads }	11,02,99,505	10,52,49,230	9,33,40,918	9,74,83,501	9,79,19,157
<i>Adjustment in Opium Account</i>	- - -	14,87,878	-	-	-
<i>Gratuity to Troops, Burmese War - - - - -</i>	7,86,472	33,668	-	-	-
<i>Deccan Booty, carried to Ac- count before, as Revenue - }</i>	51,80,218	- - -	34,36,887	-	-
TOTAL - - - <i>Sa. Rs.</i>	11,62,66,195	10,37,95,020	9,67,77,805	-	-
<i>Or at 2s. per Current Rupee -</i>	£. 13,486,879	£. 12,040,222	£. 11,226,225	£. 11,308,086	£. 11,358,622

* Net Charge, Prince of Wales Island, &c.

	Actual, 1827-28.	Actual, 1828-29.	Actual, 1829-30.	Court's Prospective Estimate of 10 March 1832.	Regular Estimate, 1830-31.
MADRAS CHARGES:					
	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>	<i>Ms. Rs.</i>
Carnatic Petty Claims	29,18,272 5,425	27,31,669 2,24,333	25,79,853 2,32,017	- - -	24,98,395 2,28,000
Civil - - - - -	29,23,697	29,56,002	28,11,870	28,00,000	27,26,395
Mints - - - - -	5,17,850	5,22,697	5,42,210	5,10,000	5,16,425
Post-office - - - - -					
Stamps - - - - -					
Judicial - - - - -	32,52,823	32,47,786	32,74,107	31,50,000	31,60,924
Land Revenue and Customs -	1,02,36,870	95,74,722	96,33,492	95,00,000	96,26,910
Salt - - - - -	6,51,175	7,22,064	6,99,248	7,20,000	6,76,543
Marine - - - - -	1,64,339	2,91,788	1,96,357	1,67,800	1,89,900
TOTAL Civil Charges - -	1,77,46,754	1,73,15,059	1,71,57,284	1,68,47,800	1,68,97,097
Buildings and Fortifications -	7,16,418	6,91,670	9,91,532	8,85,000	5,84,304
Military - - - - -	3,41,03,300	3,01,37,727	2,78,24,338	2,57,00,000	2,65,50,990
Tanjore Debts - - - - -	-	-	-	6,39,720	-
Interest on Debt - - - - -	15,66,468	17,43,630	18,01,799	20,00,000	19,33,006
TOTAL Charges of } Madras - - - } <i>Ms. Rs.</i>	5,41,32,940	4,98,88,086	4,77,74,953	4,60,72,520	4,59,65,397
Or at 2 s. 3 $\frac{3}{4}$ d. per rupee -	£. 6,186,622	£. 5,701,495	£. 5,459,995	£. 5,265,431	£. 5,253,188
BOMBAY CHARGES:					
	<i>By. Rs.</i>	<i>By. Rs.</i>	<i>By. Rs.</i>	<i>By. Rs.</i>	<i>By. Rs.</i>
Civil - - - - -	42,20,278	48,69,387	41,46,974	44,50,000	43,36,300
Mint - - - - -	1,99,865	1,88,995	3,57,879	3,50,000	4,18,310
Post-office - - - - -					
Judicial - - - - -					
Land Revenue and Customs -	27,15,088	25,38,266	25,67,868	24,00,000	22,73,700
Marine - - - - -	73,15,591	56,89,920	63,18,123	57,00,000	64,55,400
	18,92,105	16,23,061	17,71,769	15,00,000	15,54,100
TOTAL Civil Charges - Rs.	1,63,42,927	1,49,09,629	1,51,62,613	1,44,00,000	1,50,37,810
Buildings, &c. - - - - -	12,71,891	11,09,227	13,68,459	11,00,000	11,43,500
Military - - - - -	1,82,38,310	1,64,50,359	1,54,76,404	1,37,30,000	1,49,40,100
Interest on Debt - - - - -	2,42,044	2,00,865	1,87,865	2,00,000	3,55,400
TOTAL Charges of } Bombay - - - } <i>By. Rs.</i>	3,60,95,172	3,26,70,080	3,21,95,341	2,94,30,000	3,14,76,810
Or at 2 s. 3 d. per rupee -	£. 4,060,707	£. 3,675,384	£. 3,621,976	£. 3,310,875	£. 3,541,141
PRINCE OF WALES ISLAND, SINGAPORE, &c. CHARGES:					
	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>
Civil - - - - -	13,93,687	11,91,178	10,57,089	- - -	3,35,000
Buildings, &c. - - - - -	91,170	1,88,739	1,01,519	- - -	
Military - - - - -	2,09,300	1,51,012	1,62,068	- - -	
Interest - - - - -	17,448	2,586	1,822	- - -	
CHARGES - Rs.	17,11,605	15,33,515	13,22,498	-	-
Deduct, Revenues - - - - -	3,88,610	4,13,624	2,83,596	-	5,31,000
NET CHARGE - - -	13,22,995	11,19,891	10,38,902	5,58,900	Net Revenue, 1,96,000
Or at 2 s. per Ct. rupee -	£. 153,467	£. 129,908	£. 120,513	£. 64,832	£. 22,736

GENERAL RESULT in India, at the Rates of Exchange used in the Parliamentary Accounts.

	1827-28.	1828-29.	1829-30.	Court's Prospective Estimate.	Regular Estimate, 1830-31.
	£.	£.	£.	£.	£.
REVENUES:					
Bengal - - - - -	14,921,983	14,784,870	13,825,280	13,327,240	14,238,304
Madras - - - - -	5,347,838	5,575,049	5,715,587	5,451,554	5,513,582
Bombay - - - - -	2,542,325	2,331,802	2,421,443	2,520,000	2,782,991
Net Revenue of Prince of Wales Island, &c. - - - - }	- - -	- - -	- - -	- - -	22,736
TOTAL Revenues - - £.	22,812,146	22,691,721	21,962,310	21,298,794	22,557,613
CHARGES:					
Bengal - - - - -	13,486,879	12,040,222	11,226,225	11,308,086	11,358,622
Madras - - - - -	6,186,622	5,701,495	5,459,995	5,265,431	5,253,188
Bombay - - - - -	4,060,707	3,675,384	3,621,976	3,310,875	3,541,141
Net Charge of Prince of Wales Island, &c. - - - - }	153,467	129,908	120,513	64,832	—
TOTAL Charges - - £.	23,887,675	21,547,009	20,428,709	19,949,224	20,152,951
Surplus REVENUE - - £.	- - -	1,144,712	1,533,601	1,349,570	2,404,662
Surplus CHARGE - - £.	1,075,529	—	—	—	—

(B. 2.)

PROSPECTIVE ESTIMATE of TERRITORIAL CHARGES paid in England, with the Amount of those Charges in the last Three Years.

	1828-29.	1829-30.	1830-31.	Prospective Estimate of 10 March 1832.
	£.	£.	£.	£.
Passage of Military - - - - -	72,730	8,357	28,348	50,000
Pay, &c. to Officers, including Off-rec- konings - - - - - }	388,072	542,254	491,551	470,000
Political Freight and Demorage - - -	106,663	99,065	62,462	90,000
Pay-office Demands for King's Troops in India - - - - - }	354,800	317,712	295,649	270,000
Retiring Pay, &c., King's Troops - -	60,000	60,000	60,000	60,000
Political Charges General - - - - -	366,532	374,406	333,834	350,000
Expenses on Account of Prince of Wales Island, Singapore, &c. - - - - }	6,487	7,266	7,655	10,000
Tanjore Commission - - - - -	1,705	1,652	6,942	—
Civil Establishments, Absentee Allow- ance, &c. - - - - - }	36,369	32,766	31,457	40,000
Paid to the Government of Persia - -	124,444	—	—	—
£.	1,517,802	1,443,478	1,317,898	1,340,000
Territorial Stores - - - - -	449,603	297,510	138,430	300,000
Charges of St. Helena - - - - -	113,054	96,122	97,271	90,000
TOTAL - - £.	2,080,459	1,837,110	1,553,599	1,730,000

(B. 3.)

GENERAL RESULTS of the PROSPECTIVE ESTIMATE of the Court of Directors, dated the 10th March 1832, after converting the Surplus Revenue into British Currency, at the Rates which it is expected to realize.

Appendix, No. 23.

(B.) General Results of the Court's Prospective Estimate of 10 March 1832.

I.—Supposing the existing system to continue.

REVENUES:		Sa. Rs.	Sa. Rs.
Bengal	- - - - -	11,48,90,000	
Madras	- M. Rs. 4,77,01,100 at 106.62 per 100 Sa. Rs.	4,47,39,355	
Bombay	- B. Rs. 2,24,00,000 at - ditto - - -	2,10,09,192	
TOTAL Revenues		- - - Sa. Rs.	18,06,38,547
CHARGES:		Sa. Rs.	
Bengal	- - - - -	* 9,74,83,497	
Madras	- M. Rs. 4,60,72,520 at 106.62 per 100 Sa. Rs.	4,32,11,892	
Bombay	- B. Rs. 2,94,30,000 at - ditto - - -	2,76,02,701	
Net Charge of Prince of Wales Island, Singapore, &c.		5,58,900	
TOTAL Charges		- - - - -	16,88,56,990
Surplus Revenue in India		- - - Sa. Rs.	1,17,81,557
From this Sum is to be deducted the computed Loss in remitting Funds to pay the Bills for Interest on the Indian Debt, or the difference between the rate at which the Bills are drawn, and at which Funds can be remitted to meet them - - - - -			7,80,028
Amount estimated to be applicable to the payment of the Home Territorial Charges - - - - -		Sa. Rs.	1,10,01,529
This amount will be sufficient at the Board's rate of exchange to meet those Charges to the extent of - - - - -			£. 1,276,177
The Territorial Charges paid in England are estimated at £. 1,340,000			
The cost of Territorial Stores at - - - - -			300,000
The expense of St. Helena at - - - - -			90,000
			1,730,000
There remains a Deficit, on this view, of - - - £.			453,823

Or at the Board's rates, Sa. Rs. 39,12,264, as shown by the Court.

II.—Supposing the existing system to terminate, and the Trade to be separated from the Territorial management.

Indian Local Surplus, as before shown - - - - -	Sa. Rs.	1,17,81,557
Deduct, Loss in effecting remittances to meet Bills for Interest on the Debt, and Advances to various Institutions not included in the Home Charges, which are estimated by the Court at 689,000 l.; which loss arises from the difference between the estimated rate of 1 s. 9.247 d., being the average rate of Bills drawn in London on Calcutta in the last three years, and 2 s. 2.012 d., the average rate at which the Territory is engaged to effect the remittance - - - - -		14,25,747
Amount remaining applicable to the payment of the Home Territorial Charges - - - - -		Sa. Rs. 1,03,55,810
Which, at 1 s. 9.247 d., would produce - - - £.		916,791
This sum deducted from the estimated amount of the Home Charges -		1,730,000
Leaves an annual Deficit, on this view, of - - - £.		813,209
Or at 1 s. 9.247 d. per rupee, Sa. Rs. 91,85,772, as shown by the Court.		(carried forward)

* This sum, according to the details recently furnished by the Court, would be Sa. Rs. 9,74,83,501, but to produce the result originally stated, an adjustment of four rupees is required in that amount.

Appendix, No. 23.

(B). General Results of the Prospective Estimate of 10 March 1832.

Brought forward - - - -	£. 813,209
Further Claims of the Company which are as yet undetermined, and of uncertain amount, may eventually be brought forward. Of these Claims the following are stated by the Court, the liquidation of which would augment the annual Deficiency.	
Interest on the sum to be raised to defray the Expenditure in Wars previous to the acquisition of the Dewannee (not including Interest), viz. on * 3,616,113 <i>l.</i> , if borrowed at 5 per cent. - - - -	£. 180,805
Interest on the Home-bond Debt alleged to have been incurred for Territorial purposes, taken at 3,600,000 <i>l.</i> at 2½ per cent. the present rate of interest - - - -	90,000
	270,805
These Charges would increase the annual Deficiency to - - - -	£. 1,084,014

A further eventual claim of the Company is for the value of the several forts, towns, islands, territories and rights abroad, possessed by them as a Commercial corporation, the amount of which has not been stated.

(C.)

(C.) Effect on the Prospective Estimate of suggested Alterations.

STATEMENT of the effect that will be produced upon the PROSPECTIVE ESTIMATE by the Alterations suggested in the Memorandum prepared at the India Board.

I.—Supposing the existing system to continue.

	Sa. Rs.
Surplus Revenue in India estimated by the Court - - - -	1,17,81,557
Improvement expected according to the Memorandum, as specified on page 341 - - - -	28,49,733
Estimated Surplus Revenue in India in 1834 - - - -	1,46,31,290
Deduct Loss in remitting Funds to pay the Bills for Interest on the Indian Debt, as computed by the Court - - - -	† 7,80,028
Amount estimated to be applicable to the payment of the Home Territorial Charges - - - -	Sa. Rs. 1,38,51,262

* This is the sum alleged to have been expended, exclusive of interest. From this claim, including interest, the Court propose to deduct the amount of the Home Bond Debt in 1780, amounting to 1,514,779*l.*

† This amount is liable to adjustment. Vide Memorandum, page 340.

This sum will be sufficient, at the Board's rates of exchange, to meet those Charges to the extent of - - - - -

£.
1,606,747

The Home Territorial Charges being estimated at - - - - -

1,730,000

There would remain a Deficit, on this view, of - - - £.

123,253

Appendix, No. 23.

(C) Effect on the Prospective Estimate of suggested Alterations.

II.—Supposing the existing system to terminate, and the Trade to be separated from the Territorial Management.

Indian Local Surplus Revenue, as before shown - - - - -

Sa.Rs.
1,46,31,290

Deduct, Loss in remitting funds to pay Interest Bills, together with advances to various institutions, not included in the Home Charges, if effected at 1 s. 9.247 d. per Sa.R. - - - - -

14,25,747

Amount estimated to be applicable to the payment of the Home Territorial Charges - - - - - Sa.Rs.

1,32,05,543

Which, if remitted at the above rate, will realize in England - - -

£. 1,169,076

And as the Home Charges are estimated at - - - - -

1,730,000

There will be an annual Deficit, on this view, of - - -

* 560,924

If the Court's view of the ultimate Claims of the Company were admitted, there would be added to the above Deficit Interest on the principal sum of 3,616,113 L.† stated to have been expended in India in the wars which preceded the acquisition of the Dewannee, supposing the amount to be borrowed at 5 per cent. - - - £. 180,805

Also, Interest on the Home Bond Debt, alleged to have been incurred for Territorial purposes, taken at 3,600,000 L., at 2 ½ per cent. per annum - - - - - 90,000

270,805

In this view the annual Deficit would be increased to - £.

831,729

The Claim on account of Forts, &c. abroad, is here also not included.

* If the whole of the remittances of funds to meet the Home Charges could be effected at 1 s. 11 d. per sicca rupee, the rate realized by remittances of bullion on the Company's ships, this deficiency would be reduced from 560,924 L. to 407,616 L.

The results contained in the Court's Estimate apply to the termination of the present Charter. Whenever the Fund now annually set apart for the discharge of the debts of the late Nabobs of the Carnatic shall be sufficient for its purpose, it may be expected that the charges will be reduced, and the results above shown further improved, to the extent of £. 102,387. This is computed to take place about the year 1836.

† Vide note on last page.

(D.)

ESTIMATE of the ACCOUNT between the two Branches of the COMPANY'S AFFAIRS to the close of 1833-34, calculated at the Exchanges applicable to their Amount under the Plan of 1814, and with Interest, on the Principle adopted by the Court of Directors.

1829-30 :			
Balance due from the Territorial Branch to the Commercial, on 1st May 1829, per General Books - - -	£. 3,036,581	By Unclaimed Prize Money received in England - - - - -	£. 408
Interest accumulated to 30th April 1829 - - -	1,536,078	By amount of Advances in India—(Actual Receipts and Payments):	
		Bengal, <i>Sa. Rs.</i> 1,64,07,805	£. 1,903,306
	4,572,659	Madras, <i>Ms. Rs.</i> 12,45,537	- 142,347
One Year's Interest at 3 per cent. per annum	137,180	Bombay, <i>By. Rs.</i> 29,08,096	- 327,161
To amount of Territorial Payments in England, China and the Cape - - -	2,131,939		2,372,814
To amount paid for Interest Bills beyond Remittances - - - - -	763,832		2,373,222
To $\frac{1}{2}$ year's Interest on balance of Advances in the year - - - - -	7,838	By Balance - - -	£. 5,240,226
	£. 7,613,448		£. 7,613,448

1830-31:

To Balance - - - - -	£. 5,240,226	By amount of Advances in India (Regular Estimate):	
To one year's Interest, at 3 per cent. per annum	157,207	Bengal (deducting <i>Rs.</i> 20,00,000, China Bills drawn for bullion remitted on the Territorial Account)	
To amount of Territorial Payments in England - - - - -	1,836,674	<i>Sa. Rs.</i> 2,16,00,000	£. 2,505,600
To amount paid for Interest Bills beyond Remittances - - - - -	75,793	Madras, <i>Ms. Rs.</i> 6,69,000	- 76,457
To amount paid out of Unclaimed Prize Money - - - - -	238	Bombay, <i>By. Rs.</i> 16,51,100	- 185,749
			2,767,806
		By $\frac{1}{2}$ year's Interest on balance of Advances in the year - - - - -	12,826
			2,780,632
		By Balance - - -	4,529,506
	£. 7,310,138		£. 7,310,138

1831-32 :

To Balance - - - - -	£. 4,529,506	By net amount of Advances to be made in India, being upon the scale of Investment ordered by Circular Commercial Letter of 4th August 1830 - - - - -	£. 2,341,938
To one year's Interest at $2\frac{1}{2}$ per cent. per annum - - - - -	113,237	By $\frac{1}{2}$ year's Interest on balance of Advances in the year - - - - -	62
To estimated amount of Territorial Charges in England - - - - -	1,900,000		
To amount paid for Interest Bills beyond Remittances :			
Interest Bills, &c. - - £. 1,000,000			2,342,000
Bullion, China £. 310,000			
Government Bills - - 27,000		By Balance - - - - -	4,637,743
Advances to individuals 226,000			
	563,000		
	437,000		
	£. 6,979,743		£. 6,979,743

1832-33 :

To Balance - - - - -	£. 4,637,743	By net amount of Advances to be made in India, being upon the scale of Investment, ordered per Circular Commercial Letter, of 24th August 1831 - - - - -	£. 2,437,410
To one year's Interest, at $2\frac{1}{2}$ per cent. per annum - - - - -	115,943	By $\frac{1}{2}$ year's Interest on balance of Advances in the year - - - - -	5,342
To estimated amount of Territorial Charges in England - - - - -	1,900,000		
To amount paid for Bills beyond Remittances :			
Interest Bills - - - £. 950,000			2,442,752
Bills on Government - - £. 40,000		By Balance - - - - -	4,320,934
Territorial Remittances - 800,000			
	840,000		
	110,000		
	£. 6,763,686		£. 6,763,686

1833-34 :

To Balance - - - - -	£. 4,320,934	By estimated net amount of Advances in India to Commercial Branch - - - - -	£. 2,437,410
To one year's Interest, at $2\frac{1}{2}$ per cent. per annum - - - - -	108,023	By amount of Remittances beyond Interest Bills, supposing 640,000 l. to be remitted in this year - - - - -	100,000
To estimated amount of Territorial Payments in England - - - - -	1,900,000	By $\frac{1}{2}$ year's Interest on balance of Advances in the year - - - - -	7,967
			2,545,377
		By Balance - - - - -	*3,783,580
	£. 6,328,957		£. 6,328,957

* Principal - - - - - 1,634,271
Interest - - - - - 2,149,309

TOTAL - - - £. 3,783,580

Appendix, No. 24.

Appendix, No. 24.

Charge for Loss on
Remittances to
meet Interest Bills.

CORRESPONDENCE between the **BOARD OF COMMISSIONERS** for the Affairs of *India* and the **COURT OF DIRECTORS** of the **EAST INDIA COMPANY**, relative to a Charge made against the Territory, for Loss sustained in effecting Remittances from *India* to meet Bills drawn on the Court for the Payment of Interest on **INDIA DEBT**.

LIST.

Letter from the Honourable J. Stuart Wortley to Peter Auber, Esq.; 24 June 1830 - - - p. 354	vided under the arrangement with regard to Interest Bills, laid down in the Plan of 1814, for keeping the Company's Home Accounts; with Enclosures A. to C. p. 356
- from Peter Auber, Esq. to the Honourable J. Stuart Wortley; 8 July 1830 - - - p. 354	
Enclosure No. 1.—An Account of Profit and Loss on all Goods sold by the East India Company, in the year 1829-30, &c. - - - p. 355	Letter from Benjamin S. Jones, Esq. to Peter Auber, Esq.; 17 August 1830 - - - p. 363
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CORRESPONDENCE.

LETTER from the Honourable *John Stuart Wortley* to *Peter Auber*, Esq.;
dated India Board, 24 June 1830.

Sir,

I AM directed by the Commissioners for the Affairs of India to request that you will move the Court of Directors of the East India Company to furnish the Board with information of the grounds upon which the recommendation of the Court of Proprietors, held yesterday, in regard to the declaration of a dividend, was founded.

I have, &c.

(signed) *J. S. Wortley.*

LETTER from *Peter Auber*, Esq. to the Honourable *J. Stuart Wortley*;
dated East India House, 8 July 1830.

Sir,

I AM commanded by the Court of Directors of the East India Company to acknowledge your letter of the 24th ultimo, requesting information of the grounds upon which the recommendation to the Court of Proprietors, held the 23d ultimo, in regard to the declaration of a dividend, was founded, and in reply thereto I am directed to transmit the enclosed Statements as furnishing the information required.

I have, &c.

(signed) *P. Auber, Secr.*

(Enclosure, No. 1.)

AN ACCOUNT of PROFIT and Loss on all Goods sold by the EAST INDIA COMPANY in the Year 1829-30 distinguishing *India* and *China*, and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce, after defraying all Charges; and converting the Prime Cost of the Investment, so far as it consists of Repayment of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books, in transactions between the two Branches of their Affairs; viz. 2 s. the Current Rupee, 8 s. the Pagoda, and 2 s. 3 d. the Bombay Rupee.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandize calculated at 5 per cent. on the Sale Amount of the Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade -	1,512,506	103,050	57,592	1,673,148	1,151,856	- - -	521,292
China Trade	1,711,892	477,142	151,874	2,340,908	3,037,483	696,575	—
TOTAL - -	3,224,398	580,192	209,466	4,014,056	4,189,339	696,575	521,292

Loss upon the India Trade, brought down	£. 521,292	Profit on the China Trade, brought down	£. 696,575
Profit or Loss upon Exports from England to India { Statements from India, 1829-30, not yet received }	—	Deduct, Supracargoes' Commission on Homeward Trade - - - - -	44,766
Charges in India not added to Invoices, also Profit or Loss from Interest and Exchange, and Loss by Bad Debts - - - - - { Ditto - ditto }	—	Charges in China of the previous year, not added to Invoices - - - - -	—
Losses at Sea, including Jettisons, Salvages, and other Losses - - - - - { No Loss as far as information has been received - }	—	Losses at Sea, including Jettisons, Salvages, &c. (No Loss as far as ascertained)	—
Deduct, Amount of Loss from which the Commercial Department is entitled to be relieved, in respect to Investment from India, provided as a Remittance to meet Bills of Exchange, drawn for Interest of India debt, under the arrangement contained in the Plan of 1814, for keeping the Home Accounts. (<i>Vide</i> separate Paper.) -	362,773	Mem.—Profit or Loss on the Outward Trade to China is comprehended in the rate of 6 s. 8 d. the tale.	
Net Loss on the India Trade Outward and Homeward, as far as can be ascertained }	£. 158,519	Net Profit on the China Trade, as far as can be ascertained - - - - - }	£. 651,809

Net Profit on Sales of Merchandize, China Trade, after replacing Cost and Charges of the Investment, and covering Losses by Sea, &c.; brought down - - - - -	£. 651,809
Net Loss - - - ditto - India Trade - - - ditto - - - - -	158,519
Total Profit on Sales (India and China Trade) - - - - -	£. 493,290
Other Profits of the Company:	
Interest on the Annuities - - - - -	36,227
Ditto - Balance of Advances between the Territorial and Commercial Branches as estimated, end of 1828-29, at rate of Home Bond debt - - - - -	121,729
Ditto received, charged or paid under other heads - - - - -	55,749
Surplus of Sums charged upon Private Trade Goods beyond amount of Commercial Charges General in England, not debited to the Company's own Trade - - - - -	2,561
Profit on the Company's own Ships - - - - -	24,170
Estimated Profit at the Colonies of the Cape and North America - - - - -	14,843
	255,279
Total Commercial Profits of the Company, as far as can be ascertained - - - - -	£. 748,569
Dividends to the Proprietors of Stock - - - - -	630,000
SURPLUS, after payment of Dividends - - - - -	118,569
Deduct, Interest on Bonds provisionally charged to the Commercial Account - - - - -	114,973
	£. 3,596

East India House, }
7 July 1830. }

(Errors excepted.)

Thomas G. Lloyd,
Acc^t General,

Appendix, No. 24.

(Enclosure, No. 2.)

Charge for Loss on
Remittances to
meet Interest Bills.

STATEMENT of the ADJUSTMENT to be made in the PROFIT and LOSS ACCOUNTS of 1829-30, with reference to the Out-turn of that portion of the India Investment which may be deemed to have been provided under the arrangement, with regard to Interest Bills, laid down in the Plan of 1814, for keeping the Company's Home Accounts, (Suggestion 5, as altered and amended by the Board) see Sections 55 & 56 of the Act of 1813.

(A.)

THE particulars of the arrangement referred to, are contained in the annexed extract from the plan of 1814. Its intention appears to be to secure the Commercial branch from loss in effecting this portion of the Territorial Remittance from India in goods, although in consequence of the altered rates of exchange at which bills for interest of India debt have been drawn upon the Court of Directors since this arrangement was framed, the terms in which it is expressed would, at the present time, give to the Commercial branch an advantage which it is presumed it was not intended that it should derive. The provision being that an average out-turn, at least of 2s. 6d. per sicca rupee, shall be secured to the Commercial branch from all goods sold at the Company's sales furnished from this source, whilst the issue for their purchase in India being stipulated to be made at the rates at which the bills are discharged, (those rates for the greater part now being 2s. 1d. and 2s., the difference between those rates, and the average produce per rupee at the Company's sales, which for the last five years has not reached 2s.), a literal execution of this arrangement would be attended with a considerable gain to the Commercial branch.

Assuming then that this arrangement shall be acted upon according to what appears to be its spirit, it next becomes necessary to determine the amount of investment which may be considered to have been furnished under its provisions, and to have passed the Company's sales.

Sec. 56, Act 1813.

The credit to which the Commercial Department has been entitled in India from the Territorial Revenues, since 1814, on account of that portion of the Territorial expenditure defrayed from the Home Treasury, which is technically termed "Territorial Charges," having been placed prior in order of application to purposes of investment, to that to which it has been entitled in respect of interest bills, no part of the issues in India to the Commercial department under the provisions of the Act of 1813, can be deemed to have relation to the latter, until the Territorial expenditure in England classed under the former division, has been fully liquidated.

A Statement has been drawn up from the Accounts between the Territorial and Commercial branches, as forwarded with the Finance letters to India, wherein is shown the excess or deficiency of the "Territorial Charges" defrayed in England, above or below the amount of the issues for investment in India of the nature referred to, in each year since 1814-15, and the combination of these results in the form of an Account Current is carried on from year to year, being in fact, the particulars contained in the Statements, No. 1, in the before-mentioned series of Accounts, omitting the sums transferred to their debit or credit from the Statements marked No. 2, in the same series, and with the introduction of the calculation of interest, upon the principle observed in the General Account between the Territorial and Commercial branches.

(B.)

By this Statement (B.) it appears, that with the exception of the year 1824-25, the aggregate issues in India for investment under the Act of 1813, have up to the year 1827-28 been short of the aggregate of the "Territorial Charges" defrayed in England, with the accruing interest; the small balance of an opposite description which appears in 1824-25, having been counterbalanced in the two following years.

In the last two years of the series, the issues for investment exceed the "Territorial Charges" in the following sums; viz.

In 1827-28	-	-	-	-	-	-	-	£. 608,436
1828-29	-	-	-	-	-	-	-	863,214

Showing an amount of investment to have been in course of provision in each of those years, derived from funds other than "Territorial Charges," viz. interest bills, together with other advances comprised under that division of the account between Territory and Commerce; and requiring adjustment upon the principles of the arrangement laid down in the plan of accounts.

According to the accustomed computation, the sales of 1829-30 in England are composed equally of goods procured by the funds issued in India in 1827-28 and 1828-29. The investments, therefore, of those years derived from interest bills, will be to be adjusted in those proportions, according to the net out-turn yielded by the sales of 1829-30.

From

From another Statement (C.) which has been drawn out, it appears that the average rate at which the balance of bills unprovided for up to 1827-28, had been discharged in England, was 2 s. 3⁵⁶¹d. per sicca rupee, and including 1828-29, 2 s. 3⁵⁹⁹d. per sicca rupee.

The average rates at which all the issues in India for commercial purposes were charged to the Commerce in those two years, according to the values severally affixed to the currencies of Bengal, Madras and Bombay, were in 1827-28, 2 s. 4⁰⁴⁵d.; in 1828-29, 2 s. 4⁰¹²d.

The rates at which the interest bills have been discharged up to 1828-29 thus being less than the rates at which the Commerce has been charged in account by the Territory in the two years under consideration, the amount to be made good to the Commerce on each rupee invested in goods, provided in those two years, upon the principles of the arrangement under consideration, will be the difference by which the out-turn of the goods, when sold, may fall short of the last-mentioned rates.

The rate per sicca rupee of the net produce of the Indian investment at the Company's sales in 1829-30, (deducting interest and insurance at the average rate of the Company's losses at sea) was per sicca rupee 1 s. 5³⁵⁸d., being 10⁶⁸⁷d. per sicca rupee short of the rate at which issues for Commercial purposes were made in India in 1827-28; and 10⁶⁵⁴d. per sicca rupee, short of the rate at which sums were issued on the same account in 1828-29.

The portion of Loss from which the Commercial Branch will be entitled to be relieved, as respects the Sales of this Year, by debiting it to the "Political Department," in conformity with the Arrangement of 1814, is as under :

Amount of Investment supplied on Account of Remittance for Discharge of Interest Bills :	One-half of each of the preceding Sums computed to enter into the Sales of 1829-30, ONE-HALF.			Issued to the Commercial Branch in India at the Rates already stated, producing the Number of Rupees shown below.
	£.	s.	d.	Sicca Rupees.
In 1827-28, as per Statement - £.608,436	304,218	a'	2 4 ⁰⁴⁵	26,03,399
1828-29, - ditto - - - 863,214	431,607	a'	2 4 ⁰¹²	36,97,904
A short produce of 10 ⁶⁸⁷ d. per sicca rupee is therefore to be made good to the Commercial Branch, on sicca rupees 26,03,399 amounting to - -				£. 115,927
And of 10 ⁶⁵⁴ d. - - ditto - ditto - on 36,97,904 - ditto - - -				164,156
The remaining portion of the Investment supplied on this account in 1827-28, or 304,218 <i>l.</i> according to the usual computation, entered into the sales of 1828-29: the adjustment in respect of its produce must therefore be governed by the out-turn of that year, which was 1 s. 8 ⁴²² d. per sicca rupee, being a deficiency below the rate at which the Investment was provided of 7 ⁶²³ d., or on sicca rupees 26,03,399, pounds sterling 82,690, which sum might have been adjusted in the accounts of last year, and not having been so done, is now brought forward for adjustment - - - - -				82,690
Total Amount to be made good to the Commercial Branch - - £.				362,773

It will be requisite that a corresponding adjustment be made in the Accounts between the Territorial and Commercial branches.

Appendix, No. 24.

Charge for Loss on
Remittances to
meet Interest Bills.

(A.)

EXTRACT from the Plan for arranging the Company's Home Accounts, framed in the Year 1814, (relative to the Remittances for Discharge of Bills of Exchange for Interest of India Debt.)

Suggestions by the Court in regard to the preparation of Accounts under the New Charter.

5. THAT an account be opened under the head of Bills of Exchange drawn from India on account of the Interest of Indian Debt; the debit side to exhibit the amount of payments made in England by the Company in each year on such account; the credit side to exhibit,

1st. The amount of monies that may be received in England in repayment of advances made in India on account of His Majesty's Government.

2dly. The amount of monies that may be received in England for bills to be drawn on India.

3dly. The amount of bills of exchange drawn in the Company's favour for advances made to individuals in India.

4thly. For advances made in India to the Company's commercial servants for investment to be specifically provided in India from the funds, to the amount which England shall be drawn upon for the payment of interest on the Indian debt.

Remarks, Alterations, Amendments and Additions, by the Board of Commissioners.

THE Board fully approve the keeping the transactions to which this head of account applies, entirely distinct and separate from that of the general Territorial account. The manner of debiting the payments in England under this head, as now proposed, is correct. The formation of the credit side, by bringing to account the remittances through the four modes which are pointed out, calls for no further remark, as to the three first, than as it may relate to the uncertainty of their amount respectively, from being exposed to contingencies, as to the advances to the public service, and being experimental as to the transactions with individuals. As to the fourth mode, or the remittance to be made through the channel of the Company's Commerce, which is designed to embrace whatever amount may be required to be remitted beyond what shall have been provided for by the other modes, the Board, in reference to the several discussions which have taken place on this subject, have thought proper to agree that an arrangement be made on the following principles:

The balance found remaining under this head of account at the close of the year, after giving full credit for all remittances received from India in the course of the year, whether in bills or certificates upon Government, or bills upon individuals paid or payable, or in receipts from individuals for bills on India, to be added to the amount of Territorial Charges to be repaid from the Political Treasury in India to the Commercial Department there, and to be applied by that department at the option and risk of the Company; but the amount of this balance to be converted into Indian currency at the rate of exchange at which the bills may be drawn; provided always, that if in any year the Company's trade from India shall not realize upon an average 2s. 6d. the sicca rupee, the Political Department shall be debited for the amount of the deficiency which shall be found to have arisen on the sum to which this head of account relates.

(B.)

ABSTRACT ACCOUNT between the TERRITORIAL and COMMERCIAL BRANCHES of the Company's Affairs, from 1814-15 to 1828-29, in respect to Territorial and Political Payments in *England*, separately from the Transactions which relate to the Remittance of India Debt.

1814-15.			
	£.		£.
To excess of Payments in England above amount issued for Investments in India, calculated at the rates of exchange fixed in 1814 - - -	535,005		
To six months' Interest, at rate of Company's Home-bond debt - - -	14,712		
£.	549,717	By Balance - - -	£. 549,717
1815-16.			
To Balance - - -	£. 549,717	By excess of Issues in India above amount paid in England, calculated at same rates of exchange - - -	264,621
To one year's Interest, at rate of Company's Home-bond debt - - -	30,043	By six months' Interest, at rate of Company's Home-bond debt - - -	7,185
£.	579,760	By Balance - - -	£. 271,806
			307,954
		£.	579,760
1816-17.			
To Balance - - -	£. 307,954		
To one year's Interest, at rate of Company's Home-bond debt - - -	15,398		
To excess of Payments in England above amount issued for Investments in India, calculated at the rates of exchange fixed in 1814 - - -	180,512		
To six months' Interest, at rate of Company's Home-bond debt - - -	4,513		
£.	508,377	By Balance - - -	£. 508,377
1817-18.			
To Balance - - -	£. 508,377		
To one year's Interest, at rate of Company's Home-bond debt - - -	24,995		
To excess of Payments in England above amount issued for investments in India, calculated at the rates of exchange fixed in 1814 - - -	208,327		
To six months' Interest, at rate of Company's Home-bond debt - - -	5,035		
£.	746,734	By Balance - - -	£. 746,734

(B.)—continued.

1818-19.			
To Balance - - -	£.		£.
	746,734		
To one year's Interest, at rate of Com- pany's Home-bond debt - - -	29,869		
To excess of Payments in England above amount issued for Investments in India, calculated at the rates of exchange fixed in 1814 - - -	729,596		
To six months' Interest, at rate of Com- pany's Home-bond debt - - -	14,592		
	£.	By Balance - - -	£.
	1,520,791		1,520,791
1819-20.			
To Balance - - -	£.	By excess of Issues in India above amount paid in England, calculated at same rates of exchange - - -	44,774
	1,520,791	By six months' Interest, at rate of Company's Home-bond debt - - -	895
To one year's Interest, at rate of Com- pany's Home-bond debt - - -	60,831		45,669
		By Balance - - -	1,535,953
	£.		£.
	1,581,622		1,581,622
1820-21.			
To Balance - - -	£.	By excess of Issues in India above amount paid in England, calculated at same rates of exchange - - -	306,595
	1,535,953	By six months' Interest, at rate of Company's Home-bond debt - - -	6,132
To one year's Interest, at rate of Com- pany's Home-bond debt - - -	61,438		312,727
		By Balance - - -	1,284,664
	£.		£.
	1,597,391		1,597,391
1821-22.			
To Balance - - -	£.	By excess of Issues in India above amount paid in England, calculated at same rates of exchange - - -	45,596
	1,284,664	By six months' Interest, at rate of Company's Home-bond debt - - -	912
To one year's Interest, at rate of Com- pany's Home-bond debt - - -	51,386		46,508
		By Balance - - -	1,289,542
	£.		£.
	1,336,050		1,336,050
1822-23.			
To Balance - - -	£.	By excess of Issues in India above amount paid in England, calculated at same rates of exchange - - -	119,444
	1,289,542	By six months' Interest, at rate of Company's Home-bond debt - - -	2,339
To one year's Interest, at rate of Com- pany's Home-bond debt - - -	51,044		121,783
		By Balance - - -	1,218,803
	£.		£.
	1,340,586		1,340,586

(B.)—continued.

1823-24.			
To Balance - - -	£. 1,218,803	By excess of Issues in India, above amount paid in England, calculated at same rate of exchange - - -	£. 723,065
To one year's Interest, at rate of Company's Home-bond debt - - -	42,658	By six months' Interest at rate of Company's Home-bond debt -	12,653
		By Balance - - -	735,718
	£. 1,261,461		525,743
1824-25.			
To Balance - - -	525,743	By excess of Issues in India, above amount paid in England, calculated at same rate of exchange - - -	739,156
To one year's Interest, at rate of Company's Home-bond debt - - -	18,217	By six months' Interest, at rate of Company's Home-bond debt -	12,678
	543,960		
To Balance - - -	207,874		
	£. 751,834		£. 751,834
1825-26.			
To excess of Payments in England above amount issued for Investments in India, calculated at the same rates of exchange - - -	11,669	By Balance - - -	207,874
To six months' Interest, at the rate of Company's Home-bond debt -	218	By one year's Interest at rate of Company's Home-bond debt - - -	6,995
	11,887		
To Balance - - -	202,982		
	£. 214,869		£. 214,869
1826-27.			
To excess of Payments in England, above amount issued for Investments in India, calculated at the same rates of exchange - - -	265,086	By Balance - - -	202,982
To six months' Interest at rate of Company's Home-bond debt - - -	5,301	By one year's Interest, at rate of Company's Home-bond debt - - -	8,119
			211,101
	£. 270,387	By Balance - - -	59,286
1827-28.			
To Balance - - -	59,286		
To Balance applied to Investments out of the Remittance fund - - -	608,436	By excess of Issues in India, above amount paid in England, calculated at same rates of exchange - £.	667,722
	£. 667,722		
1828-29.			
To Balance applied to Investments on account of the Remittance fund £.	863,214	By excess of Issues in India, above amount paid in England, calculated at same rates of exchange - £.	863,214

(C.)

STATEMENT to show the Rates at which BILLS of EXCHANGE drawn for Interest of INDIA DEBT, and on other accounts, comprised in the Remittance Branch of the Accounts between the TERRITORIAL and COMMERCIAL DEPARTMENTS, have been discharged in *England* since 1814, and the Average Rate of those which remained unprovided for by Remittances, otherwise than through the Company's Commerce, at the end of 1827-28 and 1828-29, respectively.

	£.		Sicca Rupees.
1814-15. Excess of Payments for Bills, above the Remittances realized for meeting them - - - - -	233,901	a' 2/6	18,71,208
1815-16. - - - Ditto - - - - - Ditto - - - - -	291,757	—	23,34,056
	£. 525,658	- - S.Rs.	42,05,264
1816-17. Deduct, Excess of Remittances realized beyond the amount of the Payments for Bills - - - - -	230,101	a' 2/6	18,40,808
	£. 295,557	- - S.Rs.	23,64,456
1817-18. Excess of Payments - - - - -	337,499	a' 2/6	26,99,992
1818-19. - Ditto - - - - -	162,623	—	13,00,984
1819-20. - Ditto - - - - -	72,659	—	5,81,272
1820-21. - Ditto - - - - -	416,805	—	33,34,440
	£. 1,285,143	- - S.Rs.	1,02,81,144
1821-22. Deduct, Excess of Remittances - - - - -	196,725	a' 2/6	15,73,800
	£. 1,088,418	- - S.Rs.	87,07,344
1822-23. Deduct - Ditto - - - - -	374,389	a' 2/5.90	30,05,129
	£. 714,029	- - S.Rs.	57,02,215
1823-24. Excess of Payments - - - - -	2,204,514	a' 2/5.30	1,80,57,453
	£. 2,918,543	- - S.Rs.	2,37,59,668
1824-25. Deduct, Excess of Remittances - - - - -	170,122	a' 2/3.48	14,85,781
	£. 2,748,421	- - S.Rs.	2,22,73,887
1825-26. Excess of Payments - - - - -	1,030,892	a' 2/0.83	99,63,212
1826-27. - Ditto - - - - -	407,422	a' 2/1.54	38,28,214
1827-28. - Ditto - - - - -	427,397	a' 2/0.93	41,14,301
	£. 4,614,132	- - S.Rs.	4,01,79,614
(Average rate to end of 1827-28, 2/3. ⁵⁶¹ .)			
1828-29. Deduct, Excess of Remittances - - - - -	55,959	a' 2/0.77	5,42,194
	£. 4,558,173	- - S.Rs.	3,96,37,420

(Average rate to end of 1828-29, 2/3.⁵⁹⁹.)

LETTER from *Benjamin S. Jones, Esq.* to *Peter Auber, Esq.*; dated India Board,
17 August 1830.

Appendix, No. 24.

Charge for Loss on
Remittances to
meet Interest Bills.

Sir,

I AM directed by the Commissioners for the Affairs of India to acknowledge the receipt of your letter, dated the 8th ultimo, in which you communicate to me, by the command of the Court of Directors, two Statements explanatory of the grounds upon which the recommendation to the Court of Proprietors, held on the 23d of June, in regard to the declaration of a dividend, was founded.

The Board have observed in the Statement of Profit and Loss on all goods sold by the East India Company in the year 1829-30, that credit is taken for the sum of 362,773 *l.* "as the amount of loss from which the Commercial department is entitled to be relieved, in respect to investment from India, provided as a remittance to meet bills of exchange drawn for interest of India debt, under the arrangement contained in the Plan of 1814, for keeping the Home accounts."

This item appears for the first time in the statement of Profit and Loss for the year 1829-30.

The Board are willing to admit that the intention of the Plan of 1814 was to secure the Commercial branch from loss in effecting the remittance to England in goods of funds for the repayment to the Company of sums advanced from their Home Treasury, in discharge of bills drawn for interest of Indian debt; but the Board are not prepared to admit that such loss has arisen; for "trade from India" is not confined, in their opinion, to such remittances in goods as may come directly from India to England, but embraces likewise the remittances which come circuitously through China; and the out-turn of the rupee remitted from India can only be found on a view of the results of both these modes of remittance. The Board believe that the Court will find that in every year since 1814 the out-turn of the rupee so remitted directly and circuitously from India, has exceeded the rate of exchange at which the interest bills have been paid.

But although this circumstance is of itself sufficient to impose upon the Board the duty of disallowing the charge of 362,773 *l.* which the Court have brought against the Territorial revenues, in the statement under consideration, the Board feel that there is an assumption in that statement which requires from them some observation.

The Court state, "That the credit to which the Commercial department has been entitled in India from the Territorial revenues since 1814, on account of that portion of the Territorial expenditure defrayed from the Home Treasury, which is technically termed 'Territorial Charges,' having been placed prior in order of application to purposes of investment to that to which it has been entitled in respect of interest bills, no part of the issues in India to the Commercial department, under the provisions of the Act of 1813, can be deemed to have relation to the latter, until the Territorial expenditure in England, classed under the former division, has been fully liquidated," and the Court refer in the margin to the 56th section of the Act of 1813 as that from which their inference is drawn.

But the Board must request the Court to direct their attention, not only to the 56th but to the 55th, 57th and 58th sections of the Act of the 53d Geo. 3, for it appears to the Board that the intention of the Legislature can only be gathered from a combined view of all the sections which have reference to the application of the revenues and profits of the Company.

By the 55th section, the Territorial revenues are first to be applied to defraying Military charges in India. "Secondly, in payment of the interest accruing on the debts owing, or which may be hereafter incurred by the said Company, in the East Indies or parts aforesaid, *including that portion thereof for which bills shall be demanded, payable in England, and for which provision shall at all times be made by consignments or remittances to England,* as the said Court of Directors, with the approbation of the said Commissioners for the Affairs of India, shall from time to time direct." Thirdly, in defraying expenses of Civil and Commercial establishments in India. Fourthly, towards the liquidation of the Territorial or the bond debt, or to such other purposes *subject to the provision hereinafter made,* as the Court of Directors, with the approbation of the Board, shall direct.

"The provision hereinafter made," is found in the section immediately subsequent, to which the Court have referred; viz. the 56th; and it is this, "that a sum equal to the actual payments which shall have been made from the Commercial funds at home on account of Territorial charges in the year preceding, after deducting therefrom the charges of the Commercial establishments, and all the Commercial charges in India, which may have been paid from the Territorial revenues in the same year, shall in each and every year be issued in India for the purpose of the said Company's India or China investment, or of remittance to England on account of the said Company, at the option of the said Court of Directors."

It appears, therefore, on a view of these two sections, that the issue of sums in India in repayment of Territorial charges defrayed in England is to come *before* the application of Territorial revenue to the liquidation of Territorial or bond debt; but that it is to be made *after* providing for the first, second and third heads of appropriation specified in the 55th section, of which the second is the payment of the interest of India debt, "*including that portion thereof for which bills shall be demanded, payable in England, and for which provision shall at all times be made by consignments or remittances to England.*" But the Board

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must likewise draw the attention of the Court to the 57th section, which provides that the profits of the Company in England shall be first applied to "the payment of bills of exchange already accepted, and hereafter to be accepted by the said Company, as the same shall become due;" and to the 58th section, which, after enacting that the profits of the Company in England shall not be liable to the liquidation of any charge on account of the Territorial or Political government of India payable in England, or of any bills of exchange or certificates drawn on account of the Territorial or Political charge in India, till after the dividend on the capital stock of the said Company shall first have been provided for, expressly excepts "such bills and certificates for the amount of which value shall have been previously paid in India from the Territorial and Political funds, and consignments or remittances made thereof to England for the liquidation of the said bills and certificates;" that is, it expressly excepts the bills of exchange for the interest of Indian debt, for the payment of which the 55th section directed that provision should at all times be made by consignments and remittances to England.

The Legislature having thus expressly directed that funds shall be set apart for the payment of the interest of Indian debt, and that provision *shall be, at all times*, made for consignments or remittances to England, to defray that portion of it for which bills shall be demanded, payable in England, and having further distinctly given to this application of the Territorial revenues the preference over any repayment in India, of sums advanced on Territorial account in England, the Board cannot admit the supposition that, until the year 1827-28, no funds for this purpose have been remitted to England, and that the payment of bills of exchange drawn on this account has, until that year, altogether depended on the pleasure of the Company; nor can the Board deem it to be consistent with their duty to allow that not only the Act of Parliament shall be disregarded by applying Territorial remittances to the repayment of advances made in England on Territorial account, in preference to the payment of bills drawn on account of interest of Indian debt, but that this last application of the Territorial revenues, for which Parliament has so specifically and carefully provided, shall be postponed till the Company have received interest on their advances to the Territory, a charge which, however equitable it may be in principle, was never contemplated by the Legislature in 1813.

The conclusions of the Board, therefore, are these:

1st. That the result of the direct and circuitous remittances from India being considered, there has been no loss to the Company by such remittances as have been made in goods to meet the charge of that portion of the interest of the Indian debt which has been paid in England.

2d. That under the Act of 53d Geo. 3, the first sums set apart in India for remittance to England, must be held to be applicable to the payment of the interest bills drawn on England, not otherwise provided for; and therefore that the out-turn of the remittance in each year, since 1814, must be compared with the rate of exchange at which the interest bills have been paid in each year, in order to ascertain whether the Commercial branch has sustained any loss by the transaction.

I have, &c.

(signed) B. S. Jones.

LETTER from *Peter Auber*, Esq. to the Hon. *J. Stuart Wortley*; dated East India House, 9th December 1830.

Sir,

I HAVE received and laid before the Court of Directors Mr. Jones's letter of the 17th August 1830, in which he communicated the observations of the Board of Commissioners for the Affairs of India, upon the statements forwarded with my letter of the 8th July last, as explanatory of the ground upon which the recommendation of the Court of Proprietors held on the 23d June, in regard to the declaration of a dividend, was founded; and I have been directed to transmit to you the following reply.

In framing the statements to which the Board's observations have reference, the Court were guided by what appeared to them to be the precise and positive provisions of the Plan of 1814, upon the point under discussion; in which the out-turn of the Company's trade from India, was established as the standard by which the existence and extent of any deficiency which might arise in making the remittances through the Company's Commerce for the payment of interest bills was to be decided. The appropriate sense in which the term "Trade from India," or "India Trade" has been uniformly employed in the Accounts of Profit and Loss which have been rendered to the Board, has been that of designating the direct trade from that country to England, whilst the term "China Trade" or "Trade from China," has been similarly employed to denote the investment directly consigned from China to this country. Both trades have in effect served as channels by which the far greater part of the remittance annually required by the Territory for the discharge of its engagements in this country, has been accomplished; and for reasons to which the attention of the Board will be presently requested, the Court are of opinion that none of the funds derived to Commerce through the payment of interest bills can be considered as having found a return through the China trade, and that their remittance through this channel was not contemplated by the framers of the plan of accounts. It is also no doubt in the recollection of the Board, that the arrangement in question was
a substitute

a substitute for that originally proposed* for the supply of any deficiency in the remittances for the payment of interest bills, viz. by the provision of goods in India to be consigned to England, under invoices, separate from those which related to the ordinary investment of the Company; a method which obviously contemplated a remittance only through the direct trade from that country.

Under these circumstances it does not appear to the Court that they could have put any other construction upon the terms employed in the Plan of 1814, with relation to this point, than that under which the statements forwarded to the Board have been prepared, and although from the altered state of circumstances which has since that time occurred, the provisions of the arrangement may produce a result somewhat different from the expectations entertained in 1814, the Court feel confident that the Board would not regard such a consideration as authorizing the setting aside an arrangement upon the faith of which the Company's Commercial operations have been conducted.

The Court have paid every attention to the Board's remarks upon the appropriating clause of the 53d Geo. 3, as to their bearing upon the principle of the Statement framed by the Court, with a view to ascertain the amount of Indian investment which has been derived from issues in India made for the purpose of liquidating political payments from the Commercial funds at home, other than the ordinary Territorial charges, and after the fullest consideration of them, the Court are compelled to differ from the conclusion at which the Board has arrived upon this point.

It does not appear to the Court to be at all necessary, with reference to the subject under discussion, to enter into the question of the order of priority established by the Legislature in providing for the various services chargeable upon the Indian revenues. It appears to the Court sufficient that it should have been established and uniformly maintained since 1814, that the provision for investment or remittance, contained in the 56th section of the 53d Geo. 3, was intended to be positive, and subject to no contingency. The Finance correspondence with India, since the passing of the Act of the 53d Geo. 3, appears to the Court to be quite confirmatory of this view, and they would request the more particular attention of the Board to the letters noted in the margin. Admitting on the other hand that the Act contains distinct and positive provisions for the constant application of Territorial revenue to the discharge of interest bills, and that the remittance to provide for their payment must in some mode be effected, the Court have not failed to remark that the use of the Company's Commerce for this object is not a matter of specific enactment by the Legislature, but an arrangement made by the Home authorities under the powers confided to them by the Act, for the provision, under certain conditions, by the Company in their Commercial character, of an investment additional to that which would have been provided in the ordinary course of their trade, for the distinct object of enabling the Territory to fulfil an obligation attaching to that branch of the Company's concerns.

Hence it appears to the Court, that they are fully justified in regarding the investment secured to the Company by a distinct legislative enactment, as entitled to a priority of provision over that, the provision of which was undertaken by them, under a conditional arrangement, the very nature of which excludes all idea of its interfering with, or displacing any part of the Company's regular trade.

It was always understood that this channel for remittance of the interest bill funds, was to be employed only as a *dernier ressort*, on failure of other modes. The arrangement was thus essentially one of accommodation to the Territorial branch, and as the interests of Commerce formed no part of its object, so the uncertainty of the extent to which it might be employed, rendered it impossible to look to it as a resource for carrying on the ordinary operations of the Company's Commerce.

Independently therefore of the consideration arising from the terms made use of in the plan of accounts by which this arrangement appears to the Court to be distinctly and positively connected with the India trade alone, its inapplicability to the purposes of the China trade appears obvious with reference to the legislative obligations the Company are placed under in conducting that trade: for it being imperative upon them to provide for the full consumption of tea in the United Kingdom, funds of the most certain and definite description are required for this investment; and such full provision being once made, no opening would exist for furnishing any additional investment which might be afterwards called for to complete the required remittance for payment of interest bills on the failure of other channels.

The Court would shortly remark, with reference to the nature of the Territorial charges defrayed in England, to which the provisions of the 56th section of the Act apply, that they have for the most part since 1814 been of a military character, comprising charges of raising and maintaining the forces on the establishments of the East Indies, and a large outlay for the provision of warlike and naval stores, charges of a description which stand first in the order of appropriation of the Indian revenues; others are and have been of the nature of interest on debts, as the interest on the Carnatic claims, and the payments for interest and sinking fund on the loan in 1812, of 2,500,000 *l.* from the Public, during their continuance. With regard to the sum of 60,000 *l.* per annum, payable to His Majesty's Government, under the Act 4 Geo. 4, c. 71, for retiring pay, pensions, &c. incurred in respect of King's troops serving in the East Indies, (a part of the military charges defrayed in England) the Legislature has expressly provided that the several payments on this account "shall be charged upon and borne by the rents, revenues and profits arising from the Territorial acquisitions, in the same order as the charges and expenses of raising and maintaining the said forces are now charged and borne."

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meet Interest Bills.*Public Letter to
Bengal, 6th Sept.
1813, para. 31.Territorial Finance
Letter to Bengal,
23d Sept. 1817,
paras. 13 to 16.Ditto, 11 Aug. 1819,
para. 7.

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A similar provision also existed in the Act 52 Geo. 3, c. 135, under which the loan of 2,500,000 *l.* was raised, sect. 11, directing that the several payments to be made by the Company for interest, sinking fund and charges of management, "shall be deemed and considered to be a charge upon the revenues of the Territorial acquisitions in the East Indies, in like manner as if the interest payable in respect of the Indian debts which have been or may be discharged by means of the said principal sum of 2,500,000 *l.*, had remained payable in the East Indies," and further authorizes the Company to cause funds for defraying the charge on this account, to be provided for remittance to England, in the order of preference in which the interest of debts is payable in India.

The Court would further remark that, although undoubtedly Parliament has specifically and carefully provided by legislative enactments for the payment of bills drawn on account of interest of Indian debt, one of the provisions of the 58th section, upon the subject of these bills, (wherein it is agreed that the future directions of Parliament, as to the mode of their discharge, shall be given under certain circumstances therein specified) necessarily proceeds upon the supposition of the possibility of a failure in the provision of the remittances by which their payment should have been met.

Upon the subject of the incidental remark made by the Board on the charge of interest in the accounts between Territory and Commerce, the Court would suggest, that as such a charge could only be claimable by the Commerce, in the event of the postponement by the Territory of the obligations imposed on it by the Act, it might not be deemed necessary to provide for a case, the occurrence of which the Act did not contemplate. The arrangements in the plan of accounts under which the adjustment objected to by the Board was made by the Court, as before remarked, was not framed with any view to the interests of Commerce, the effect of it indeed, had it been called into operation in the early years of the present Charter would have been to have placed the Commercial branch in the situation of providing an investment, not in the ordinary course of its operations, and which the state of the markets at the time might perhaps not have called for, at a rate of cost enhanced by the higher exchange which would have applied to it above that which applied to the investment furnished in repayment of Territorial charges.

Opposed as the Court's views have always been to the decision of the Board, upon the rates of exchange to be observed in the accounts between Territory and Commerce, they have felt anxious that this, the only provision of the plan of accounts which qualifies the operation of those excessive rates, should be carried into effect according to both its letter and spirit, and they cannot doubt that under the explanations now offered, the Board will concur in the principle upon which the Statements forwarded by the Court have been framed. The adjustment indeed, as it has been made by the Court in the Profit and Loss Account of 1829-30, effects but an approximation to accuracy in the view of the Company's Commerce, leaving still the far greater part of the Indian investment valued in its prime cost at rates of exchange which, under present circumstances, involve the certainty of a loss upon the adventure; although when tried upon mercantile principles, it has been proved, that since the opening of the trade, even the Company's direct Commerce with India, has been conducted with a profit.

I have, &c.

(signed) P. Auber, Secretary.

LETTER from *Thomas H. Villiers, Esq.* to *Peter Auber, Esq.*; dated India Board,
2d March 1832.

Sir,

I AM directed to address you in reference to a correspondence which took place between this Board and the Court of Directors in the year 1830, on the subject of a charge brought against the Territorial branch of the Company's affairs for loss on remittances to meet bills for interest on India debt.

The Board thought that charge objectionable; and Mr. Jones, in a letter to you, dated 17th August 1830, stated the grounds of the Board's opinion.

In reply to Mr. Jones's letter you addressed Mr. Stuart Wortley on the 9th December 1830; and I am now to desire that you will lay before the Court the further observations of the Board, suggested by a full and attentive re-consideration of the important subject contained in the letters above noticed.

It will be obvious to the Court that before the Board could have allowed the charges in question, they must have been prepared to admit that the arrear of repayment by the Territorial to the Commercial branch, outstanding in the year 1827-28, (the investments of which year the Court assume to have formed the first element of the calculation in question,) consisted entirely of a deficiency of remittance to meet the payment of interest bills, and further that the Commercial branch had incurred the loss assumed by the Court in effecting a remittance of that deficiency, and was entitled, under the arrangements laid down in the Plan of 1814, to the reimbursement of such loss.

These admissions the Board could not adopt, and after a mature consideration of the arguments adduced by the Court, and a review of the whole subject, they are still unable to concur with the Court as to the propriety of the charge. The case in question, viz. that of the payments by the Territorial to the Commercial branch falling in arrear, appears

appears to the Board to be one for which no express provision has been made either in the Act of 1813 or in the plan adopted for effecting a separation of the Company's accounts, since both proceeded on the assumption that the provisions for the repayment of the advances made in England for Territorial purposes would be carried into full effect.

It was by no means the intention of the Board, under these circumstances, to complain that the Court should have put the construction they have upon the Plan of 1814, and at the same time the Board must distinctly disclaim the least desire to depart, in consequence of the altered circumstances of the trade, to which the Court have alluded, from any of the arrangements originally adopted. In the case now under consideration, a careful attention to the distinct enactments for the remittance and payment of interest on the Indian debt, and to the spirit of the Act of 1813, together with the correspondence which took place between the Board and the Court, and with the Governments in India, at the time that the plan referred to was in course of establishment, furnish, in the opinion of the Board, full and satisfactory grounds for coming to a right conclusion upon the present question.

The nature of the arrear or balance due to the Commercial branch depends mainly upon the determination of the question, whether the appropriating clauses of the Act of 1813, prescribe constant and regular issues from the Indian Treasuries for the discharge of the interest accruing on the India debt, and the punctual remittance of such funds to discharge the interest paid in England, or whether they sanction the postponement of such issues and remittance to an indefinite period. Upon this point the enactments appear to the Board to be express and peremptory; but as their views of those enactments have been so fully explained in Mr. Jones's letter, above referred to, they have little to add to what has been there stated, and they are unable to come to any other conclusion on the construction of the Act than was then communicated. They have only now to observe, on this part of the subject, that they cannot concur with the Court, that the order of priority established by the Legislature, in providing for the charges on the Indian revenues, is unimportant to the present question: On the contrary, they consider it a distinct guide to the due execution of the provisions of the Act. With this persuasion, the directions of the 55th, 57th and 58th sections, with regard to the payment of the interest on the Indian debt, appear to them conclusive, and cannot be intended to be set aside by the provisions of the 56th section, as the Court's interpretation would seem to imply.

The Board do not discover anything in the correspondence with India, to which the Court refer them, opposed to the view they take of the enactments upon this subject.

It was arranged by the Court in the year 1813, that the amount required to meet the interest bills, not remitted by other means, should be remitted through the Company's trade. In their Public Letter to Bengal, dated 6th September 1813, the Court directed that "immediately upon the issue of the bills for interest of the debt, there should uniformly be set apart a sum equal to the amount, in order to its being remitted for the supply of the Home Treasury," and it was added "the amount of the remittance must be absolutely carried into full effect to the extent that bills may have been drawn upon us for the interest upon the debt." These instructions were repeated in the Commercial Letter to Bengal, of 9th February 1814, notwithstanding the expectation expressed in that letter that a considerable part of the remittance to meet the interest bills would probably remain to be effected through the Company's Commerce; the Board are therefore bound to conclude, on the ground both of the legislative enactments and of the orders issued to the Indian governments, that the Commercial consignments consisted in part of consignments destined to meet the bills in question, whenever remittance for that purpose was required.

The Board are willing to admit, that adverting to the various other methods to be first resorted to, in order to effect the requisite remittance to meet those bills, the Indian governments would not always be aware what amount of Commercial remittance would be required before the year terminated, and under these circumstances the investments of such a year might properly be treated as applicable in the first instance to other Territorial charges of that year; but upon this view the investments of the following year must be considered as first applicable to the balance due for interest bills paid in the preceding year, and thus the provisions of the Act would be complied with as literally as possible under the circumstances of the case.

On the various grounds above explained the Board are precluded from admitting that the balance due from the Territory to the Commerce can be considered as composed of arrears, on account of the interest bills, unless the excess of payments of bills beyond the remittances of the last year of the account were considered to compose a part of that balance, in which case the excess would be made good in the following year.

Upon the Court's representation that the consignments which may be considered applicable to pay the interest bills stand on a different footing from their ordinary Commerce, and that the terms "Trade from India," used in the amended Plan of 1814, signified direct trade from India, and had no connexion with their circuitous trade from India through China, the Board have to remark, that whatever distinction might be made between the ordinary Territorial charges and the bills for interest on debt, in consequence of a part and sometimes the whole of the amount of the latter being provided for by different means, so far as the remittance through the Company's Commerce was concerned all distinction was done away, when, at the desire of the Court, the plan of investing the balance of interest cash to be remitted in goods from India under separate invoices was abandoned. The remittance thenceforth fell into the mass of their trade, and no particular channel by which it was to be sent home was at any time prescribed.

The observation of the Committee of Accounts, in their Report forwarded to the Board,

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in Mr. Cobb's letter of 4th June 1814, on the mode of remitting the balance of interest cash through the Company's trade, was as follows:

"Your Committee think the most simple method of determining the question, will be to proceed in a way similar to that adopted in the liquidation of Territorial charges. Let the balance of payments in England for interest of Indian debts in the preceding year, constitute part of the fund that the Company shall annually order to be invested in India, and whatever difference shall arise will of course be adjusted at a subsequent period."

It is unnecessary to remind the Court that the "way adopted in the liquidation of Territorial charges" has always been to invest in Indian produce for consignment to England, what could be remitted in that form, and simultaneously to invest in other Indian produce (cotton, sandal-wood, &c.) for consignment to China, or to remit there, by means of bills, the remainder of the annual repayments by the Territory, of the advances made in England.

The Board, in Mr. Courtenay's letter of 30th June 1814, assented to the revised proposition of the Court, as having in view a remittance "*upon the same principle as Territorial charges defrayed in England*;" they objected only to the rate of exchange prescribed by the Board for other transactions (which was 2 s. 3.84 d. the sicca rupee) being applied to this, as the bills to be met were drawn at 2 s. 6 d. the sicca rupee, and a positive loss would thus be suffered by the Territorial branch. It was accordingly arranged that the sum invested to cover the balance of interest bills not otherwise met, should be converted at the rate of exchange of the bills, while the Commercial branch was to be protected from loss by compensation, should the out-turn of the Company's investments fall below that rate. Here the Board may be allowed to express their dissent from the remark of the Court that the interests of the Company's Commerce were not concerned in this arrangement, since any profit resulting from the remittance was secured to the Commercial branch, while the loss was to be borne by the Territory.

From the facts above narrated, it appears to the Board to be clearly established that the out-turn of the remittance to meet the interest bills should be calculated with reference to the whole of the Company's trade, including the portion of Territorial repayments remitted through China; and if it can be shown that loss has been sustained in any year by the remittance, upon a calculation framed upon the above principle, the Board will not object to allow a remuneration to the Commercial branch accordingly.

They are further of opinion that as the balance of interest cash invested in India in goods has not hitherto been converted at the exchange of the bills, the adjustment introduced should be revised upon such a principle as would rectify this omission in preceding years; such an adjustment the Board request may be made in the account between the Territorial and Commercial branches.

I have, &c.

(signed) T. H. Villiers.

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Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the East
India Company.

Appendix, No. 25.

CORRESPONDENCE with Mr. Robert Wilkinson, and STATEMENTS, &c. prepared by him for Mr. Rickards, relating to the Views therein taken of the FINANCES of the East India Company.

No. (1.)—LETTER from Mr. Robert Wilkinson to Robert Rickards, Esq., dated 3, Copthall-buildings, 30th April 1831.

Dear Sir,

UPON the most attentive consideration of these voluminous documents, I am obliged to confess that I cannot find in them the materials for stating an accurate account of the Company's Commercial affairs for a given series of years, distinct from their other revenues. The difficulty, or rather the impossibility, arises not only from the want of other accounts which might be enumerated, but also of the particulars constituting the aggregate sums in several of those which are given. These papers do, however, furnish the means of stating separately the Territorial revenues and Political charges, and ascertaining, by an annual balance of those accounts, distinct from all that is extraneous, whether or in what degree it was necessary to supply the political expenditure from any other than its appropriate sources; whether, in short, it was necessary that the deficiencies of Territorial revenue should be made good from the profits of Commerce. Taking the Appendix No. 6 of the Second Report, Appendix 46 of the Third Report, Appendixes 10 and 28 of the Fourth Report, and Appendix 2 of the Papers printed February 1830, as my authority, in which all that relates to these subjects is given as matter of fact, and with an appearance of precision, I cannot have the least hesitation in declaring my decided opinion, that no such necessity existed, but that if this branch of the Company's affairs had been left to itself, and had never been blended with their Commercial transactions, there must have been, in 1826-7, the period to which these documents extend, a very large surplus of Territorial revenue in their Treasury.

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In 1799-1800 a sinking fund is said to have been instituted, which might be received as a reason for the large increase of interest about that period (if charged in that column); but the debt would in that case be proportionably diminished; yet without any explanation that I can find, the debt is said to have been increased from 7,971,668*l.* in 1793, to 12,811,863*l.* in 1799, to 18,350,873*l.* in 1802, and gradually accumulating to 30,876,788*l.* in 1809. Such an increase, or indeed any increase, of Territorial debt, is utterly inconsistent with the documents above referred to, if they are what they purport to be. On the contrary, it is certain that, admitting the debt to have been on the 1st May 1793 as stated, 7,971,668*l.*, the revenues furnished the means of providing the interest thereon, together with all political charges, including those paid in England, and leaving a surplus, in 1799-1800, of 2,517,003*l.*

By the Statement I have prepared, commencing 1793-4, it appears that in 1806-7 the Territorial revenues required the aid of a loan of 2,500,000*l.*, which they likewise supplied funds for redeeming in 1811-12; and that in 1817-18 there was a sufficient surplus to discharge the debt of 1793, and since to accumulate to the amount of 5,704,870*l.*, which ought to have been in the Treasury as surplus Territorial revenue in 1826-7, after the discharge of all former engagements. In this Statement I have assumed that there was a Territorial debt of 7,971,668*l.* on the 1st May 1793, and that the whole of the net charges of Bencoolen, St. Helena, &c. are Political; but if the contrary can be shown, these consequences would follow:

	£.
To my surplus of - - - - -	5,704,870
there should be added,	
Debt, 1st May 1793 - - - - -	7,971,668
All the interest - - - - -	11,389,043
The loan from Government in 1812, if not included in Revenue - - -	2,500,000
Interest (if included in Charges) to 1822 (suppose 2 $\frac{1}{2}$ per cent. on the whole, if repaid by instalments) - - -	675,000
Half net Charge of Bencoolen, &c. if Commercial - - -	2,452,169
Half net Charge of St. Helena - - ditto - - -	883,943
Constituting a surplus Revenue, from 1793-4 to 1826-7, of - - -	31,576,693

I have thrown the whole subject into a tabular form, which I beg leave to submit to your correction, and shall be happy to give any explanation at your leisure.

I am, &c.

(signed) Robert Wilkinson.

I should be glad to see a copy of the Scheme approved by the Board of Control for separating the Accounts from the year 1814. Perhaps something may be made out beyond the mere inference, that if the Revenue be free, the whole debt must be Commercial.

(Enclosure in No. 1.)—(A).—STATEMENT accompanying

REFERENCES.	Years.	Debts.	Gross Revenue.	References.	Charges, including those on Subsidies and of Ceded and Conquered Countries.	Net Charges of Bencoolen, Prince of Wales Island, &c.	Net Charges of St. Helena.
			£.		£.	£.	£.
App. to 4th Rep. No. 10. p. 28	1793, 1st May	7,971,668					
App. 6 to 2d Rep. p. 86	1793-94	-	8,276,770	-	6,066,924	40,822	(a) -
Ditto	1794-95	-	8,026,193	-	6,083,507	62,080	-
Ditto	1795-96	-	7,866,094	-	6,474,247	104,154	-
Ditto	1796-97	-	8,016,171	-	7,081,191	101,190	-
Ditto	1797-98	-	8,059,880	-	7,411,401	163,299	-
Ditto	1798-99	-	8,652,033	-	8,417,813	120,668	-
Ditto	1799-1800	-	9,736,672	App. 6 to 2d	8,998,154	171,363	-
Ditto	1800-1	-	10,485,059	Rep. p. 87,	10,405,501	156,325	-
Ditto	1801-2	-	12,163,589	and App. 46	11,023,452	241,220	-
Ditto	1802-3	-	13,464,537	to 3d Rep.	10,965,427	196,848	-
Ditto	1803-4	-	13,271,385	p. 60.	13,001,083	304,056	-
Ditto	1804-5	-	14,949,395	-	14,548,433	372,163	-
Ditto	1805-6	-	15,403,409	-	15,561,328	250,599	-
Ditto	(g) 1806-7	2,500,000	14,535,739	-	15,283,908	179,197	-
App. 28 to 4th Rep. p. 85	-	-	(h) 54,601	-	-	-	-
App. 6 to 2d Rep. p. 86	1807-8	-	15,669,905	-	13,624,622	128,737	-
Ditto	1808-9	-	15,525,055	-	13,151,224	158,208	-
App. to Feb. 1830, No. 2.	1809-10	-	16,464,391	-	13,775,577	119,540	83,821
p. 14	-	-	(k) 289,076	-	-	-	-
App. 46 to 3d Rep. p. 60	1810-11	-	16,679,198	-	13,909,983	108,443	81,220
App. to Papers, Feb. 1830,	1811-12	-	16,605,616	-	13,220,967	86,434	81,854
No. 2. p. 14	-	-	-	-	-	-	-
Ditto	1812-13	-	16,459,774	-	13,659,429	118,357	82,992
Ditto	1813-14	-	17,228,711	-	13,617,725	114,703	95,254
Ditto	1814-15	-	17,231,191	-	14,182,451	112,163	92,087
Ditto	1815-16	-	17,168,195	App. to Pa-	15,081,587	127,853	97,705
Ditto	1816-17	-	18,010,135	pers printed	15,129,839	107,667	97,705
Ditto	1817-18	-	18,305,265	Feb. 1830,	15,844,964	122,088	97,705
	-	-	-	No. 2. p. 15.	-	-	-
Ditto	1818-19	-	19,392,002	-	17,558,615	112,519	97,705
Ditto	1819-20	-	19,172,506	-	17,040,848	144,344	97,705
Ditto	1820-21	-	21,292,036	-	17,520,612	122,338	97,705
Ditto	1821-22	-	21,753,271	-	17,555,668	110,111	97,705
Ditto	(v) 1822-23	-	23,120,934	-	18,083,482	134,668	120,093
Ditto	1823-24	-	21,238,623	-	18,902,511	145,008	112,268
Ditto	1824-25	-	20,705,152	-	20,410,929	169,828	109,449
Ditto	1825-26	-	21,096,966	-	22,346,365	103,872	110,413
Ditto	1826-27	-	23,327,753	-	21,424,894	93,473	114,500
	£.	10,471,668	532,197,282			4,904,338	1,767,886

*	£.
Amount consisting of REVENUE	529,353,605
Chinsurah Cause	54,601
Freight repaid by Government	289,076
Temporary Loan	2,500,000
£.	532,197,282

**	£.
Amount consisting of CHARGES	516,020,744
Repayment of Loan	2,500,000
Ditto of Debt, 1st May 1793	7,971,668
Surplus Revenue in 1826-27,	526,492,412
as stated	5,704,870
£.	532,197,282

(a) The Charges for St. Helena are supposed to be included in those for Bencoolen, &c. until 1809-10, when they begin to be separately stated.

(b) (c) (d) (e) These are the sums of interest charged by the East India Company in their Tables for these years.

(f) From this period, until there appears a necessity for increasing the debt, I continue the interest at the same amount.

(g) In this year I have considered the state of the revenue to require an additional loan of 2,500,000 *l.*, which I have brought to the aid of the receipts, and charged annually an additional interest of 200,000 *l.* (at 8 per cent.) until repaid.

Mr. Wilkinson's Letter of the 30th April 1831.

Political and Territorial Charges paid in England.	Interest adequate to the apparent Debt.	Total Amount of Charges, including Interest.	Repayment of Debt.	Surplus Revenue of the Year.	Deficient Revenue of the Year.	Surplus Revenue, including the Surplus of preceding Years.	Deficient Revenue, including the Deficiency of preceding Years.
£.	£.	£.	£.	£.	£.	£.	£.
171,392	(b) 526,205	6,805,343	- - -	1,471,427	- - -	-	-
163,399	(c) 484,301	6,793,287	- - -	1,232,906	- - -	2,704,333	-
199,128	(d) 414,750	7,192,279	- - -	673,815	- - -	3,378,148	-
375,097	(e) 426,847	7,984,325	- - -	31,846	- - -	3,409,994	-
203,784	(f) 426,847	8,205,331	- - -	-	145,451	3,264,543	-
300,736	426,847	9,266,064	- - -	-	614,031	2,650,512	-
273,817	426,847	9,870,181	- - -	-	133,509	2,517,003	-
307,635	426,847	11,296,308	- - -	-	811,249	1,705,754	-
482,730	426,847	12,174,249	- - -	-	10,660	1,695,094	-
393,207	426,847	11,982,329	- - -	1,482,208	- - -	3,177,302	-
435,224	426,847	14,167,210	- - -	-	895,825	2,281,477	-
485,604	426,847	15,833,047	- - -	-	883,652	1,397,825	-
575,795	426,847	16,814,569	- - -	-	1,411,160	-	13,335
492,083	(g) 626,847	16,582,035	- - -	(i) 508,305	- - -	494,970	-
505,797	626,847	14,886,003	- - -	783,902	- - -	1,278,872	-
550,766	626,847	14,487,045	- - -	1,038,010	- - -	2,316,882	-
l) 1,057,225	626,847	15,663,010	- - -	1,090,457	- - -	3,407,339	-
1,119,391	626,847	15,845,884	- - -	833,314	- - -	4,240,653	-
1,077,768	(m) 426,847	14,893,870	- - -	-	(o) 788,254	3,452,399	-
		(n) 2,500,000	2,500,000	-	-	-	-
1,378,760	426,847	15,666,385	- - -	793,389	- - -	4,245,788	-
1,212,413	426,847	15,466,942	- - -	1,761,769	- - -	6,007,557	-
1,194,596	426,847	16,008,144	- - -	1,223,047	- - -	7,230,604	-
1,281,885	426,847	17,015,877	- - -	152,318	- - -	7,382,922	-
1,265,550	426,847	17,027,608	- - -	982,527	- - -	8,365,449	-
1,176,642	(p) -	17,241,399	- - -	-	(s) 6,907,802	(t) 1,457,647	-
		(r) 7,971,668	7,971,668	-	-	-	-
1,280,540	-	19,049,379	- - -	342,623	- - -	1,800,270	-
1,415,446	-	18,698,343	- - -	474,163	- - -	2,274,433	-
1,300,164	-	19,040,819	- - -	2,251,217	- - -	4,525,650	-
1,377,884	-	19,141,368	- - -	2,611,903	- - -	7,137,553	-
1,559,107	-	19,897,350	- - -	3,223,584	- - -	10,361,137	-
1,153,866	-	20,313,653	- - -	924,970	- - -	11,286,107	-
1,580,259	-	22,270,465	- - -	-	1,565,313	9,720,794	-
1,817,232	-	24,377,882	- - -	-	3,280,916	6,439,878	-
2,429,894	-	24,062,761	- - -	-	735,008	5,704,870	-
	11,389,043	532,197,282	10,471,668				

(h) Received on account of the Chinsurah Cause.

(i) Including balance on the loan of 2,500,000 l.

(k) Political freight, &c. repaid by Government.

(l) The Estimate in Appendix 46 to 3d Report, for these charges in 1809-10, is only 565,931 l.

(m) There being surplus revenue at the beginning of this year to repay the loan of 2,500,000 l., I reduce the interest to the former amount.

(n) The loan of 1806-7 discharged out of surplus revenue.

(o) After charging in this year the repayment of the loan of 2,500,000 l. in 1806-7.

(p) There being sufficient surplus of revenue at the commencement of the year to pay the whole debt, the interest ceases.

(r) Repayment of the debt due 1st May 1793.

(s) After charging in this year the repayment of the debt due 1st May 1793, 7,971,668 l.

(t) After ditto, ditto.

(v) As in this year the balance due to Government on a loan of 2,500,000 l. in 1812 was paid, if this is included in the charges, as well as the rest of the principal repaid, and all the interest from 1812, the whole will be an addition to the surplus revenue, if the loan itself was not included in the receipts.

Appendix, No. 25

(No. 2.)—LETTER from Mr. Robert Wilkinson to Robert Rickards, Esq.

dated 3, Copthall-buildings, 10th May 1831.

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the East
India Company.

Dear Sir,

THE effect of the former Table was to show, that if the Territorial revenues had been left to their own operation, unconnected with anything else, they would have discharged the Indian debt of 1793, 7,971,668 *l.*, and left a surplus in the Treasury, in 1828, of 4,347,675 *l.*, without any Indian debt whatever.

It is, however asserted, that the Indian revenue being inadequate to meet the Political expenditure, required assistance from Commerce, and the aid of loans; the interest on which is, therefore, together with all Political charges, to be placed to Revenue account. It might then have been expected, that we should have been presented with an account of Political disbursements (including all interest) equivalent to the whole amount of this joint fund of revenue and loans, from 1793 to 1828. The Statement I have now prepared and embodied in the accompanying Table, which is respectfully submitted to your consideration, was intended to ascertain this point; and strange as it may appear, it is nevertheless certain that the result presents a balance of 11,208,417 *l.* in 1828, not included in any statement of Political expenditure; which, for anything that appears, may then have been in their treasury, and must indeed have been there unless the Company will either render a further account of Political charges, or admit that it had been applied to other purposes.

Surely there must have been other Statements laid before the great authorities who have sanctioned the representation that Indian revenue is indebted to Commerce, since the printed Papers, when followed out to their necessary consequences, infallibly lead to a contrary conclusion.

If

(Enclosure in No. 2.)—(B.)—STATEMENT accompanying

REFERENCES.	Years.	Gross Revenues.	Increase of Debt by additional Loans.	REFERENCES.
		£.	£.	
App. 6 to 2d Rep. p. 86 - - -	1793-94	8,276,770	- - -	- - - - -
Ditto - - - - -	1794-95	8,026,193	- - -	- - - - -
Ditto, and App. 7 to 2d Rep. p. 95	1795-96	7,866,094	336,950	- - - - -
Ditto - - - ditto - - -	1796-97	8,016,171	2,006,851	- - - - -
Ditto - - - ditto - - -	1797-98	8,059,880	1,723,855	- - - - -
Ditto - - - ditto - - -	1798-99	8,652,033	1,717,778	- - - - -
Ditto - - - ditto - - -	1799-1800	9,736,672	1,414,770	- - - - -
Ditto - - - ditto - - -	1800-1	10,485,059	2,611,307	- - - - -
Ditto - - - ditto - - -	1801-2	12,163,589	1,793,437	App. 6 to 2d Rep. p. 86; App. 7 to 2d Rep. p. 95; and App. 46 to 3d Rep. p. 60.
Ditto - - - ditto - - -	1802-3	13,464,537	1,168,373	
Ditto - - - ditto - - -	1803-4	13,271,385	2,549,229	
Ditto - - - ditto - - -	1804-5	14,949,395	3,505,149	
Ditto - - - ditto - - -	1805-6	15,403,409	2,875,408	
Ditto - - - ditto - - -	1806-7	14,535,739	1,742,302	- - - - -
Receipt on account of Chinsurah Cause, App. 46 to 3d. Rep. p. 60 - }	- - -	54,601	- - -	- - - - -
App. 6 to 2d Rep. p. 86, and App. 7 to 2d Rep. p. 95 - - - }	1807-8	15,669,905	1,763,478	- - - - -
Ditto - - - ditto - - -	1808-9	15,525,055	- - -	- - - - -
Papers, Feb. 1830, No. 2. p. 14, and No. 3. p. 25 - - - }	1809-10	16,464,391	1,089,269	Papers, Feb. 1830, No. 2. p. 15 - - - }
Political Freight, &c. received of Government, App. 46 to 3d Rep. p. 60 }	- - -	289,076	- - -	
Papers, Feb. 1830, No. 2. p. 14, and No. 3. p. 25 - - - }	1810-11	16,679,198	- - -	Ditto, and No. 3. p. 25. -

If these tables cannot be contravened, and I do not perceive any fallacy in them, it follows,

		£.	Appendix, No. 25.
That the above balance, not otherwise accounted for, has been applied to			
Commercial purposes	- - - - -	11,208,417	Correspondence, &c. relating to Mr. R. Wilkinson's Statements on the Finances of the East India Company.
Interest charged in this account	- - - - - £. 52,352,803		
Whereas all that was required for Political purposes is shown in the former Table to amount to no more than -		11,208,417	
Difference - - -		40,963,760	

There has therefore been applied to Commerce from Indian revenue and
loans ultimately charged to Revenue, in 35 years, from 1793 to 1828

52,172,177

Or it may be thus stated :

The Revenue, as shown in the former Table, could, from 1793 to 1828, have
cleared itself of all debt, and have accumulated a surplus in 1828 of -

*4,347,675

But Revenue has been deprived of this surplus, and burthened

(by Commerce) with a debt, in 1828, of - - - £. 47,504,558

Add, discrepancies in the Papers, as stated - - - 319,944

47,824,502

£ 52,172,177

And to this sum of 52,172,177 *l.* are to be added, loan from the Nabob of Oude,
1,109,975 *l.* and loan from the Bank and interest, say 3,300,000 *l.*

I am, &c.

(signed) Robert Wilkinson.

* This differs from the Balance stated in Table (A.) only by including the year 1827-28.

Mr. Wilkinson's Letter of the 10th of May 1831.

Charges, including those on Subsidies and of Ceded and Conquered Countries.	Net Charges of Bencoolen, Prince of Wales Island, &c.	Net Charges of St. Helena.	Political and Territorial Charges paid in England.	Interest on Debts.	Diminution of Debt by repayment of Loans.	Surplus remaining unapplied to Territorial Purposes at the end of each Year, including the Surplus of preceding Years after 1793-4.
£.	£.	£.	£.	£.	£.	£.
6,066,924	40,822	- - -	171,392	526,205	666,408	805,019
6,083,507	62,080	- - -	163,399	484,301	506,325	1,531,600
6,474,247	104,154	- - -	199,128	414,750	- - -	2,542,365
7,081,191	101,190	- - -	375,097	426,847	- - -	4,581,062
7,411,401	163,299	- - -	203,784	603,926	- - -	5,982,387
8,417,813	120,668	- - -	300,736	721,550	- - -	6,791,431
8,998,154	171,363	- - -	273,817	957,236	- - -	7,542,303
10,405,501	156,325	- - -	307,635	1,062,684	- - -	8,706,524
11,023,452	241,220	- - -	482,730	1,386,593	- - -	9,529,555
10,965,427	196,848	- - -	393,207	1,361,453	- - -	11,245,530
13,001,083	304,056	- - -	435,224	1,394,322	- - -	11,931,459
14,548,433	372,163	- - -	485,604	1,566,750	- - -	13,413,053
15,561,328	250,599	- - -	575,795	1,860,090	- - -	13,444,058
15,283,908	179,197	- - -	492,083	2,224,956	- - -	11,596,556
13,624,622	128,737	- - -	505,797	2,225,668	- - -	12,545,115
13,151,224	158,208	- - -	550,766	2,241,665	1,131,031	10,837,276
13,775,577	119,540	83,821	1,057,225	2,159,019	- - -	11,484,830
13,909,983	108,443	81,220	1,119,391	2,196,691	3,471,578	7,276,722

The preceding Account—Statement (B.)—continued.

REFERENCES.	Years.	Gross Revenues	Increase of Debt by additional Loans.	REFERENCES.
		£.	£.	
Papers, Feb. 1830, No. 2. p. 14 } and No. 3. p. 25 }	1811-12	16,605,616	1,440,521	- - - - -
Ditto - - - ditto - -	1812-13	16,459,774	290,897	- - - - -
Ditto - - - ditto - -	1813-14	17,228,711	945,433	- - - - -
Ditto - - and No. 4. p. 27 -	1814-15	17,231,191	1,671,183	Papers, Feb. 1830, No. 2. p. 15, and No. 3. p. 25.
Ditto - - - ditto - -	1815-16	17,168,195	618,127	
Ditto - - - ditto - -	1816-17	18,010,135	548,298	
Ditto - - - ditto - -	1817-18	18,305,265	971,283	
Ditto - - - ditto - -	1818-19	19,392,002	2,692,990	
Ditto - - - ditto - -	1819-20	19,172,506	2,438,822	
Ditto - - - - -	1820-21	21,292,036	- - -	
Ditto - - - - -	1821-22	21,753,271	- - -	Ditto, and No. 4. p. 27
Ditto - - - - -	1822-23	23,120,934	- - -	
Ditto - - - - -	1823-24	21,238,623	- - -	
Ditto - - and No. 4. p. 27 -	1824-25	20,705,152	1,232,440	
Ditto - - - ditto - -	1825-26	21,096,966	6,132,766	Ditto - - - - -
Ditto - - - ditto - -	1826-27	23,327,753	1,008,935	
2d Rep. of 1830 (4to.) pp. 1148, 1156, 1166; Revenue Account, May 1830, p. 59; Papers, Feb. 1830, No. 4. p. 27 - - - }	1827-28	22,802,947	4,633,682	2d Rep. of 1830, (4to.), pp. 1148, 1156, 1166, 1174, 1179; and Papers, Feb. 1830, No. 2. p. 15.
Amount, consisting of	£.		50,922,533	
Gross Revenue - - - -	552,156,552			
Receipt on the Chinsurah Cause	54,601			
Political Freight, &c. of Government	289,076			
		552,500,229		

RECAPITULATION:

RECEIPTS:	£.	
Gross Revenue - - - - -	- - -	552,156,552
On the Chinsurah Cause in 1806-7 - - -	- - -	54,601
Political Freight, &c. from Government - - -	- - -	289,076
Increased Debt - - - - -	- - -	39,852,834
DISBURSEMENTS:		
Charges, including those on Subsidies, &c.	489,180,310	/
Ditto, Bencoolen, Prince of Wales' Is- land, &c. - - - - -	5,069,114	
Ditto, St. Helena, 1809-10 to 1827-28	1,887,462	
Ditto, Political and Territorial, paid in England - - - - -	32,654,957	
Interest on Debts (being 40,963,760 l. be- yond the Sum of 11,208,417 l., which is shown by the former Table to have been all that was necessary for Territorial Purposes) - - - - -	52,352,803	
SURPLUS, as stated, totally unac- counted for, if not applied to Commercial Purposes - - -	11,208,417	
	£. 592,353,063	592,353,063

Charges, including those on Subsidies and of Ceded and Conquered Countries.	Net Charges of Bencoolen, Prince of Wales' Island, &c.	Net Charges of St. Helena.	Political and Territorial Charges paid in England.	Interest on Debts.	Diminution of Debt by repayment of Loans.	Surplus remaining unapplied to Territorial Purposes at the end of each Year, including the Surplus of preceding Years, after 1793-4.
£.	£.	£.	£.	£.	£.	£.
13,220,967	86,434	81,854	1,077,768	1,457,077	- - -	9,398,759
13,659,429	118,357	82,992	1,378,760	1,491,870	- - -	9,417,022
13,617,725	114,703	95,254	1,212,413	1,537,434	- - -	11,013,637
14,182,451	112,163	92,087	1,194,596	1,502,217	- - -	12,832,497
15,081,587	127,853	97,705	1,281,885	1,584,157	- - -	12,445,632
15,129,839	107,667	97,705	1,265,550	1,719,470	- - -	12,683,834
15,844,964	122,088	97,705	1,176,642	1,753,018	- - -	12,965,965
17,558,615	112,519	97,705	1,280,540	1,665,928	- - -	14,335,650
17,040,848	144,344	97,705	1,415,446	1,940,327	- - -	15,308,308
17,520,612	122,338	97,705	1,300,164	1,902,585	333,014	15,323,926
17,555,668	110,111	97,705	1,377,884	1,932,835	866,421	15,136,573
18,083,482	134,668	120,093	1,559,107	1,694,731	1,751,997	14,913,429
18,902,511	145,008	112,268	1,153,866	1,652,449	2,342,925	11,843,025
20,410,929	169,828	109,449	1,580,259	1,460,433	- - -	10,049,719
22,346,365	103,872	110,413	1,817,232	1,575,941	- - -	11,325,628
21,424,894	93,473	114,500	2,429,894	1,749,068	- - -	9,850,487
21,815,649	164,776	119,576	2,060,141	1,918,557	- - -	11,208,417
489,180,310	5,069,114	1,887,462	32,654,957	52,352,803	11,069,699	
Balance, being Increase of Debt - - -					(a) 39,852,834	
					£. 50,922,533	

Remarks:—In this Statement the Loan from the Nabob of Oude
and the Loan from the Bank of England - - -
with Interest thereon, say - - -
are not introduced.

£.	
1,109,975	
2,500,000	
800,000	
£. 4,409,975	

(a) This sum of - - - - -	£. 39,852,834
being added to the amount of Debt, 1st May 1793 -	7,971,668

Gives as the amount of Indian Debt, } in 1827-28 - - - - -	47,824,502
Which is stated in the Annual Revenue Accounts, } May 1830, at - - - - -	47,504,558
There is therefore some discrepancy, for which the Printed Papers are accountable.	
Difference - - - £.	319,944

Appendix, No. 25.

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the East
India Company.

(No. 3.)—LETTER from *T. Hyde Villiers*, Esq. to *Mr. R. Wilkinson*,
dated India Board, Nov. 24th, 1831.

Sir,

MR. RICKARDS has informed me that you have had under your consideration the Public Accounts of the East India Company, which he placed in your hands, and he has left with me some papers, showing the general results at which you have arrived. Mr. Rickards also stated to me, that you would be willing to give any explanation of the method you had pursued which might be desired by this Department. I therefore beg leave to inform you, that there are some points upon which I should be happy to receive your explanations, and that I should be prepared to forward to you my inquiries immediately on receiving your permission to do so.

I am, &c.

(signed) *T. Hyde Villiers*.

(No. 4.)—LETTER from *Mr. Robert Wilkinson* to *T. Hyde Villiers*, Esq.
dated 3, Copthall-buildings, 25th Nov. 1831.

Sir,

I HAVE had the honour to receive your letter of the 24th instant, and shall be happy to give, either personally, or in any other manner which you may be pleased to prescribe, the explanations required.

I have, &c.

(signed) *Robert Wilkinson*.

(No. 5.)—LETTER from *T. Hyde Villiers*, Esq. to *Mr. Robert Wilkinson*,
dated India Board, 8th Dec. 1831.

Sir,

I BEG leave to acknowledge your letter, dated the 25th ultimo, and, with reference to the permission which your letter conveys, to forward to you certain Queries, herewith enclosed, which have been prepared relative to your Statements of the East India Accounts.

I shall be much obliged to you for any explanations which you may be enabled to supply upon the points referred to, or would show you any documents in this office which you may be desirous of consulting in the public records.

I remain, &c.

(signed) *T. Hyde Villiers*.

(Enclosure in No. 5.)

QUERIES relative to *Mr. Wilkinson's* Statements.

ON what principle several charges, stated by the Select Committee of 1812, in the Fourth Report, page 452, to be Territorial Expenses "not included in the Accounts of Revenues and Charges annually presented to the House," have been omitted from the Territorial Expenditure, *e. g.*

Expenses of Ceylon and Eastern Islands - - - - £. 1,661,345
Payment to Creditors of Nabob of Arcot and Rajah of Tanjore - 1,359,013 ?

Why, in the first sixteen years, no charge for St. Helena is inserted, although it is stated, in Appendix 51 of the Report above referred to, to have amounted to £. 1,105,351 ?

How it occurs, that of the amounts described in the same Appendix as "Doubtful as to the part Territorial or Commercial," and Dead Stock, and which (excluding the charge of St. Helena, Bencoolen and Prince of Wales' Island), exceeds £. 3,000,000, no part is charged against the Territory ?

Have the other items in that Appendix received full consideration ?

The same query as above as to charges termed "Doubtful" in 1812, which, for late years, are contained in Nos. 16 to 19 of the Papers of 1830, and there stated not to be included in the other charges, amounting to £. 741,000 ; the greater part of which is in those documents described expressly as "Territorial" ?

Upon what grounds all reference to the fact of the Cash and Bills in the Indian Treasuries having increased between 1793 and 1828 by £. 6,251,867, (*vide* Second Report, Appendix No. 8, and continuation of No. 6 of Papers of 1830), has been omitted, and the inference drawn that that amount has been "applied to Commercial purposes" ?

(No. 6.)—LETTER from Mr. *Robert Wilkinson* to *T. Hyde Villiers*, Esq.;
dated 3, Copthall-buildings, 17th Dec. 1831.

Sir,

I HAVE now the honour to transmit answers to the Queries proposed to me.

As it is difficult to treat of detached portions of the subject without some appearance of complication, if I have not succeeded in rendering myself intelligible, I should consider myself obliged by an opportunity of adding, either personally or otherwise, such further explanations as may be necessary.

I have, &c.

(signed) *Robert Wilkinson*.

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the
East India Com-
pany.

(Enclosure in No. 6.)

EXPLANATIONS, &c.

BEFORE I proceed to consider each particular query, I must ask permission to make one or two general observations applicable to the whole; and in the first place it is necessary to bear in mind the precise nature of the propositions presumed to be established by my Tables. The first, marked (A), professes to prove that the Territorial revenues of the Company have, since 1793, been more than sufficient to supply the expenses of administering the Government of India, and have neither needed nor received assistance from any Commercial profits of the Company, nor from Indian loans, (except temporarily to the extent of 2,500,000*l.*), and that it is therefore incorrect to charge the Territorial revenue with the principal or interest of a debt which must have been contracted for other purposes. The second, marked (B), undertakes to show, that the Indian loans, contracted since 1793, cannot have been expended, in addition to the Territorial revenues, upon the administration of the Indian government, because in that case, upon an account debited with the whole of the revenue and loans, and credited with the whole of the charges of that administration, including the interest upon the whole debt as a part of those charges, there could not possibly remain any balance, whereas there appears a surplus of receipts amounting to 11,208,417*l.* These propositions are perfectly distinct from the object proposed in the extract given from the Fourth Report, and the accompanying Appendix, No. 51, which is primarily to account for the deterioration of 11,020,566*l.* on the general affairs, Territorial and Commercial, of the Company; the classification of the causes to which it is attributed into "Territorial, Commercial and Doubtful," being altogether incidental, and not affecting nor being intended to affect the argument of the Committee, as is manifest from their leaving more than half the amount "Doubtful."

In the next place, I may be permitted to complete the quotation given in the queries from the Report, viz. "Territorial expenses not included in the Accounts of Revenues and Charges annually presented to the House," by the addition of the remaining part of the paragraph, which will then stand as follows:—

"The extent in which the Political branch of the affairs has contributed to produce the balance (of 11,020,566*l.*, before spoken of) is stated at the sum of 6,364,931*l.*, which sum results from adding to the surplus charges of India every other positive expense belonging to the territories, which had not been included in the Accounts of Revenues and Charges annually presented to the House, being in the greatest part disbursements made in England, either by His Majesty's Paymaster-general for the troops serving in India, or by the Company at home for freight of military, or the expense considered to have been incurred under this head."

We have here a declaration of what the Honourable Committee profess to have done; in order to account for the defalcation of 11,020,566*l.*, they say, it will be found to have been occasioned, in the greatest part, by disbursements made in England, &c. which had not been included in the Accounts of Revenues and Charges annually presented to the House. And this conducts us to the real question at issue, which is, (not whether the printed Statements of Indian Revenue and Charges, but) whether the Tables A and B contain in effect an account of every charge indicated by the Honourable Company, which is properly Territorial, including those which had not been brought into the Accounts annually presented to the House. I am aware that the former do not comprise the Territorial disbursements made in England, which are the subject of a separate statement in the printed Papers, but they are incorporated into the Tables A and B.

I may now proceed to consider separately the several queries, of which the first is,

"On what principle several charges stated by the Select Committee of 1812, in the Fourth Report, page 452, to be Territorial expenses, not included in the Accounts of
735—II. Revenues

Revenues and Charges annually presented to the House have been omitted from the Appendix, No. 25. Territorial expenditure; *e. g.*

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the
East India Com-
pany.

"Expenses of Ceylon and Eastern Islands - - - - £. 1,661,345
"Payment to Creditors of Nabob of Arcot and Rajah of Tanjore 1,359,013?"

With respect to the expenses of Ceylon and Eastern Islands, I do not find anything said of this item of 1,661,345 *l.* in the Report, nor does it appear from whence it was derived. The reference is to the Appendix No. 17 of the Third Report, where it is stated at 1,223,571 *l.*, and where it is also stated, that of the whole of the claims admitted against the Public - - - - - £. 8,212,372
There have been brought to the debit of Indian Charges and Interest - - 6,988,801

Leaving the above sum not brought to the debit of Indian Charges or Interest 1,223,571

This Appendix No. 17, is a statement of the Honourable Company's Claims on the Public and does not purport to be an Account of their actual disbursements on the objects specified, much less does it appear to me to furnish the means of instituting such an examination as would enable an inquirer to point out in figures the precise amount which ought to have been charged to Territory and Commerce respectively; when, therefore, it is asked, why was not this sum brought in the same manner as the larger amount of 6,988,801 *l.* to the account of Indian Charges, the answer, in the absence of the necessary documents, can only be general, that in the judgment of the Company, who abstained from charging it to Territory, this was the portion strictly Commercial, and therefore it would have been misplaced there. If indeed the Company have advanced 1,223,571 *l.*, which they have been unable to recover, they have sustained a loss, which may be legitimately used to account for so much of the defalcation found on their general concerns Territorial and Commercial; but it by no means follows that it should be charged to Territorial revenue, and especially when the Company, in their own analysis of the General Account, not intended to favour the Revenue at the expense of Commerce, have not deemed it right, with all the particulars before them, so to charge it, it must be considered as a Commercial loss.

Respecting that part of the payments to the creditors of the Nabob of Arcot and the Rajah of Tanjore, made in India, viz. 1,058,953 *l.* and 64,044 *l.* as stated in the Appendix 51, the reference is to Nos. 18 and 19 of the Third Report, where I find nothing from which it can be ascertained that these are the sums so paid and omitted in the Account of Charges at Madras; while in the Appendix to the Second Report, No. 6, B, purporting to be a Statement of the gross and net Receipts from Subsidies and Revenues of Ceded and Conquered Countries, there is an account of disbursements amounting to many millions sterling, but without a detailed specification of particulars; the results are transferred to the Appendix, No. 6, which the Committee, in the same Report, have assured us contains "every charge incurred in the government and defence of the possessions in India."

If the authority of the Honourable Committee must be respected in the one instance, it is neutralized by their equally positive evidence in the other; and we have nothing left in the entire absence of such details as might enable us to undertake a satisfactory analysis, but the strong probability, amounting to a moral certainty, that the Madras Presidency, in transmitting their accounts, would of course include the sums paid to those creditors, and that these, being considered territorial, have been charged against Territorial revenue, included in the Madras Accounts of their respective periods.

With respect to the portions paid in London, viz. 10,960 *l.* and 225,056 *l.*, as I find them in the General Statement, Appendix No. 22 of the Fourth Report, and they have not been included in the "Political Charges paid in England," described in Appendix 46 of the Third Report; if these are necessarily to be accounted Political charges, as in my judgment they ought to be, they remain to be charged against Territorial revenue; but the Honourable Company seem to have decided that they are not so to be considered by omitting them in the statement of Political charges.

Query. "Why, in the first 16 years, no charge for St. Helena is inserted, although it is stated, in Appendix 51 of the Report above referred to, to have amounted to 1,105,351 *l.*?"

On the subject of this query the printed Papers are sufficiently explicit to enable me to say that the charge for St. Helena for the first 16 years is included in the Tables A and B. In the Appendix No. 51 referred to, as well as the Report itself, "Supplies to Bencoolen, Prince of Wales Island, St. Helena, &c." from 1792-3 to 1808-9, are stated at 2,817,146 *l.*; the reference in the margin is to page 63 of the Second Report, which again refers to the Appendix No. 6 of that Report, where the "Supply to Bencoolen, Penang, &c." for the same period, amounts to the precise sum of 2,817,146 *l.*, consisting of the items transferred into my Tables, including therefore the whole supply to St. Helena.

The "Charges and Losses at St. Helena adjusted," 1,046,653 *l.*, and "Increase of Dead Stock at St. Helena," 58,698 *l.*, making together 1,105,351 *l.*, the subject of the query, are of course comprised in the larger amount.

Query. "How it occurs that of the amounts described in the same Appendix as 'doubtful as to the part Territorial or Commercial', and 'Dead Stock,' and which (excluding the charge of St. Helena, Bencoolen, and Prince of Wales' Island) exceeds 3,000,000 *l.*, no part is charged against the Territory?"

The

The charges relating to St. Helena being disposed of, there remain, of the class termed "Doubtful" in the Appendix, No. 51, the following, viz.

Appendix, No. 25.

	£.	Correspondence, &c. relating to Mr. R. Wilkinson's Statements on the Finances of the East India Company.
1st. Losses on Consignments from port to port in India - - - - -	873,403	
2d. Losses at the several Presidencies, not included in the Charges - - - - -	461,428	
3d. Paid on participation of the Public - - - - -	500,000	
4th. Seamen raised for Government - - - - -	47,000	
5th. Loss on Loyalty Loan - - - - -	107,878	
6th. Interest on postponed Bills - - - - -	120,963	
7th. Paid owners of Rice Ships - - - - -	110,595	
	2,221,267	
To which is added,		
8th. Increase of Dead Stock in India, by purchase there or consignments from England - - - - -	862,992	
	£. 3,084,259	

It is remarkable of all these, that the Honourable Committee, with all the means of information before them (as I suppose) have not undertaken to determine that any one of them ought to be debited to Territorial revenue. With respect to the first, viz. Losses on consignments from port to port in India, if we were to understand the term "losses" in its ordinary acceptation, as implying destruction or damage on the transit, it would depend on the object of the consignment (upon which we have no explanation) whether the loss should be charged to Territory or Commerce; but the reference is to Appendix No. 22 of the Third Report, where the amount is described as a mere discrepancy between the books of Bengal and those of Fort St. George and Bombay; it must be presumed that Bengal, in transmitting its annual General Statement, took credit for the full amount of its supplies to the other Presidencies, and before it can be determined whether any loss beyond that which has been brought to account, be really chargeable either to Territory or Commerce, and in what proportions, it would be necessary to have access to documents which I have not found amongst the printed Papers.

2d. Losses at the several Presidencies, not included in the Charges. As these do not appear to be arrears of revenue they must be presumed to be Commercial debts, written off as irrecoverable, in which case they cannot be charged against Territory; the reference is to Appendix No. 23 of the Third Report, where we have no information beyond the fact that they are "losses."

3d. Paid on participation of the Public. This I understand to be a part of the price of the Honourable Company's exclusive trade, therefore Commercial, and not chargeable against Territory.

4th. Seamen raised for Government, 47,000*l.* This is too trifling an amount to require much comment; if upon the first view, it would appear chargeable to Territory, the Honourable Company seem to have decided otherwise by excluding it from the Political charges.

5th. Loss on Loyalty Loan.

6th. Interest on postponed Bills.

7th. Paid owners of Rice Ships.

In the absence of all special circumstances, it seems to me difficult to conceive that these can be considered in any other light than as losses on Commercial transactions, with which, therefore, it would be improper to charge Territory.

8th. Increase of Dead Stock in India, by purchases there or consignments from England, The cost of the Dead Stock has been included in the Indian charges, as I well recollect to have read in some part of the printed Papers.

Query. "Have the other items in that Appendix received full consideration?"

They have been considered, and I do not find anything there clearly chargeable to Territory beyond the amount already comprised in my Tables.

Query. "The same query as above as to all charges termed 'doubtful' in 1812, which for later years are contained in Nos. 16 to 19 of the Papers of 1830, and there stated not to be included in the other charges, amounting to 741,000*l.*, the greater part of which is in those accounts described expressly as Territorial?"

I regret that not having at present access to the Papers of 1830 referred to, I cannot give a definitive answer to this query; when I shall have had an opportunity of seeing them, if anything is found there properly Territorial, and not comprised in the Tables A and B I shall readily admit it.

Query. "Upon what grounds all reference to the fact of the cash and bills in the Indian treasuries having increased between 1793 and 1828 by 6, 251,867*l.* (*vide* Second Report, Appendix No. 8, and continuation of No. 6 of Papers of 1830) has been omitted, and the inference drawn that that amount has been applied to Commercial purposes?"

I must here again ask permission to recal attention to the real question, with which, as I submit with great deference, this item can have no manner of connexion. When it is

Appendix, No. 25.

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the
East India Com-
pany.

inquired respecting the general funds paid into the Treasury, what part has been received and disbursed on account of Territory, and what part on account of Commerce, it seems irrelevant to reply that there is a balance of 6,000,000 *l.* remaining unexpended; because the only question at issue must be answered before it can be determined to whom or in what proportion that balance belongs. It cannot even be used to account for a defalcation on the General Account Territorial and Commercial, because the defalcation is a result after considering the 6,000,000 *l.* as an asset; accordingly, it is not found in the Appendix No. 51.

It may be remarked, in general, of the particulars given by the Honourable Committee in that Appendix, that they are not proposed as new matter which has never before been brought to any account, but as being of the nature of loss or unproductive expenditure, and as having in that character occasioned a defalcation in the Honourable Company's general state, Territorial and Commercial, of 11,020,566 *l.*; for this purpose they are equally effectual, whether Territorial or Commercial. The deficiency I do not question. That the particulars mentioned by the Honourable Committee have contributed to produce that deficiency I do not dispute; every thing of a similar character must necessarily have contributed to it; but I confidently believe that they are either Commercial, or in the instances in which they are Territorial, they have already been introduced (with possibly some minute and unimportant exceptions) into the Tables A and B; in which case, the position is incontrovertibly established, that the defalcation on the Honourable Company's general affairs is not Territorial but wholly Commercial.

3, Copthall-buildings, London, 17th Dec. 1831.

(signed) *Rob. Wilkinson.*

(No. 7.)—Letter from *T. Hyde Villiers, Esq.* to *Mr. Robert Wilkinson*,
dated, India Board, February 8, 1832.

Sir,

IN reference to your letter of the 17th of December, I beg to enclose some remarks on the Answers which accompanied your letter; and I shall be obliged by your favouring me, at your earliest convenience, with any observations which you may wish to make thereon.

I am, &c.

(signed) *T. Hyde Villiers.*

(Enclosure in No. 7.)

REMARKS on the Statements relating to the Finances of India, forwarded by *Mr. Rickards*.

THE Accounts prepared under the direction of *Mr. Rickards* have in view, it is presumed, to support the position laid down by that gentleman in his evidence before the Committees of both Houses of Parliament, that so far from the East India Company's Commerce having assisted the Territorial concern, the former has not only constantly received extensive support from the latter, but the whole of the debt of India, since 1793, has been incurred exclusively for Commercial purposes.

The principle of the Statements now referred to, and the results drawn from them, appear to be the following, as may be gathered from the documents themselves, and from the explanatory letters of *Mr. Wilkinson*, the accountant employed by *Mr. Rickards*, which accompanied them. It is first asserted, that none of the Accounts before Parliament contain materials for an accurate statement of the Company's Commercial affairs: it is hereupon assumed, that as what pertains to the Territorial branch of the finances is fully set forth, if the resources and disbursements of that branch are first accurately ascertained, it will become apparent what has been the real condition of the Commercial concern, and "whether and in what degree" relief has been derived by the Territory from the Commerce, or the contrary.

The first Statement (A) professes to show that the Territorial revenues were sufficient, with the aid of a loan of 2,500,000 *l.* in the course of the period, not merely to defray the Territorial charges abroad and at home, (provided, however, only so much interest on the debts is included as is assumed to have been occasioned by loans for political purposes), but likewise that they would have discharged the debt outstanding in 1793, and that a surplus of 5,704,870 *l.*, in 1826–27, would have remained to the Territory.

A second Statement (B) exhibits the whole of the revenues and the net increase of the India debt as the Territorial resources, on which, charging the whole expenditure, including all the interest on the debt, there still results a surplus receipt in 1827–28 of 11,208,417 *l.* which is said to be wholly unaccounted for, unless applied to Commercial purposes. To this surplus is subsequently added (in the letter dated 10th May 1831) the difference between the total interest paid, viz.

And the total interest on the debt alleged to have been incurred for
Political purposes in Statement A stated at 11,208,417 *l.*, but
which should be

£. 52,352,803

11,389,043

that difference - - - - - 40,963,760

added to the surplus above shown of - - - - - 11,208,417

makes a Total of - - - £. 52,172,177

Which

Which sum, it is asserted, "has been applied to Commerce from Indian revenue, and loans "ultimately charged to Revenue, in 35 years, from 1793 to 1828."

Or, as it is represented in another form,

Territory, between 1793 and 1828, has been deprived of its surplus of -	£. 4,347,675
And has been burthened by Commerce with a debt of - - - -	47,824,502
Producing the same result - - - - £.	52,172,177

Appendix, No. 25.

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the
East India Com-
pany.

These Statements thus profess to have accomplished what a Committee of the House of Commons, after three years' laborious investigation, with access to every source of information, declared it impracticable to determine; namely, what portion of the Company's receipts and expenditure, before the year 1814, belonged to each of the two great branches of their concerns.

4th Report, 1812,
p. 452.

The want of a separation of the Political from the Commercial transactions of the Company in their Accounts previous to 1814 must always render it impossible to decide this point satisfactorily, or to ascertain what part of the India debt was incurred during that period for Commercial, and what for Political purposes. The solution of these questions is not the present object: it is proposed only to show, by a few remarks on some of the more extensive errors of the Statements under review, that they are insufficient to answer the ends for which they have been prepared, or to establish the conclusions drawn from them.

As it is assumed that whatever of receipts, either from revenue or from loan, is not accounted for in the two Statements has been applied to Commerce, it is evident that omissions, either of current Territorial charge or of expenditure, increasing the value of the Territorial property or assets, must equally render the conclusions fallacious. This remark is as applicable to the Account A as it is to the Account B: for although the former contains chiefly revenue on one hand and charge on the other, yet it professes to bring to account as a receipt as much debt as was required for Territorial purposes, and as a charge as much interest as was occasioned by that debt. Whatever therefore had a tendency to increase the debt and the interest, must proportionately alter its result.

In proceeding to notice some of the errors apparent in the Statements, the earliest period will be most attended to, because the want of separation in the Accounts leaves more room for erroneous representations, and because the Accounts of that period have undergone the investigation of a Committee of Parliament, the result of which is on record.

The first omission that attracts attention in the Statement A is, that the column headed "Net Charges of St. Helena" is entirely blank during the first 16 years, A note intimates that these charges "are supposed to be included in those for Bencoolen, &c. until 1809-10, when they begin to be separately stated."

That a part of the supply to St. Helena, namely, that from India, is included with those to Bencoolen, &c., is true, but it is clear, on the face of the Accounts, that but a small part is there included, and that the chief supply to the island is from England, for, first, in Appendix No. 51 to the Fourth Report, in which the deterioration of property from 1793 to 1810 is accounted for, besides the surplus charge in India, which includes the supplies to Bencoolen, &c., there is inserted (page 520,) as an additional expenditure, Charges and Losses at St. Helena adjusted - - - - - £. 1,046,653

And for the purchase of Dead Stock at St. Helena - - - - - 58,698

Total - - - - £. 1,105,351

2dly, In the same Account, from the total "Supplies to Bencoolen, &c. is deducted the supply to St. Helena, included in it, which amounts only to - - - - -

131,406

Leaving still - - - - £. 973,945

not charged in the Indian Accounts.

3dly, By reference to Appendix No. 19 to the same Report, which distinctly states the sources whence St. Helena derived her funds, it is evident that by far the larger part was derived from England, and consequently could not be included in the charges of the Indian Governments.

As the Statements now referred to profess to include every Territorial charge abroad and at home, and as they include the charge of St. Helena in the later years, the net charge of 973,945 £., above shown, ought to have been charged against the Territory. Such also was the principle adopted in the plan of separation of 1814. As a Territorial charge, it must have been provided for by an equivalent issue from Territorial resources in India. To the sum above stated must be added, therefore, interest on the amount during the greater part of the period; for in most of the years subsequently to 1796-7 the revenues were insufficient to defray the charges, and money must have been borrowed to defray this charge; and further, in the several years in which the surplus of receipt from Revenue was insufficient to discharge the interest on the debt, new debt must have been contracted for that purpose; so that in order to correct the statement of interest adopted in the Account, compound interest on much of the amount to which this remark applies should also be added.

Appendix, No. 25. Another class of Territorial payments of large amount is omitted from the Statements, consisting of the sums paid to the creditors of the Nabobs of the Carnatic and the Rajah of Tanjore. The amounts are—

Correspondence, &c. relating to Mr. R. Wilkinson's Statements on the Finances of the East India Company.	Payment to Creditors of the Nabobs of Arcot in India	-	-	-	£. 1,058,953
	Ditto to ditto of Rajah of Tanjore in India	-	-	-	64,044
	Ditto to ditto of the Nabobs of Arcot at home	-	-	-	10,960
	Ditto to ditto of Rajah of Tanjore, ditto -	-	-	-	225,056
	Total	-	-	-	£. 1,359,013

3d Report, p. 365. These payments are described, in the Third Report of the Select Committee, as "an issue of money, or loss, which may, in fact, be classed among the charges of the Indian Territories;" and in the Fourth Report, as "immediately connected with the Territorial affairs of the Company."

4th Report, p. 440. They constituted a charge or incumbrance on the districts which the above-mentioned native princes made over by treaty to the Company, arising out of debts not contracted by the latter, and not having formed a part of their resources.

3d Report, App. Nos. 18 & 19. Interest on the amount also requires to be added, upon the principle described under the last head. It should be observed, that in the years in which the principal part of these payments was made at Madras, there was a deficit at that Presidency, and money must have been borrowed to meet them.

2d Report, App. No. 4. Of a large class of charges not included among the sums charged on the revenues, denominated by the Select Committee, in their Fourth Report, "Doubtful as to the part Territorial or Commercial," and "Increase of Dead Stock," which, from 1793 to 1809, amount together to 6,875,350 £., no part is admitted into these Statements as chargeable to the Territory, except the supplies to Ben- coolen, Prince of Wales Island, &c. amounting to 2,817,146 £. thus leaving a further sum of 4,058,204 £., which, although the precise proportion charge- able to each branch cannot be ascertained, it would be very inequitable to place to the exclusive account of the Commercial branch.

Doubtful	-	-	£. 5,953,660
Increase of Dead Stock,	862,992		
D° - St. Helena,	58,698		
			£. 6,875,350

App. to 3d Report, Nos. 22 & 23. The losses by consignments from port to port in India, and losses at the several Presiden- cies, amounting to 1,334,831 £., must be, to a great extent, political, considering the exten- sive consignments of political property in constant transit by sea during a period of more or less active warfare, and the losses arising in exchange, and other contingencies affecting the financial transactions of so wide a range of Territorial possession; and considering likewise, that the Company do not generally carry on any trade from port to port in India.

Accounts of 1830, Nos. 16 & 17. Further similar losses were incurred from 1809-10 to 1813-14, amounting to 301,598 £.; and from 1814-15 to 1826-27, losses, exclusively of a Territorial character, amounting to 349,307 £.

4th Report, p. 448. Of the sum paid to the Public as "participation," namely, 500,000 £. the Territorial reve- nues must be considered as supplying at least one moiety. The Committee of 1812 denominated this sum "a certain portion of the profits accruing to the Company from the prosperity of their Revenue and Commerce." The Territory, therefore, should certainly bear a share of the payment.

Papers of 1830, No. 24, p. 55:	Of the Increase of Dead Stock, if a judgment may be formed by the pro- portion belonging to the two departments as shown in the Account of Stock per Computation of 1814, wherein the Company apportion what they consi- der to belong to each, nearly the whole of the sum of 1,012,636 £. disbursed on that account, would be Territorial, for the Territorial Dead Stock was valued in 1814 at 11,735,532 £., the Commercial at 475,364 £. only.
Increase of Dead Stock not in Charges 1792-3	£.
to 1808-9	- 921,690
D° - - - to 1826-27	
(Accounts of 1830, No. 19)	- 90,946
	£. 1,012,636

£.	from 1792-3 to 1813-14, amounting to 1,636,429 £., the sum of	-	-	£. 1,000,000
1,334,831	which is less than two thirds, be considered Territorial, and to this be added			
301,598	the Territorial loss since, viz.	-	-	349,307
£. 1,636,429	and if, of the participation paid to the Public, one half is assumed to be on			
	account of the Indian revenues, being	-	-	250,000
	and if, further, of the Increase of Dead Stock there be considered as Ter- ritorial	-	-	850,000

the result will be, that an additional sum of - - - - - £. 2,449,307

should have been included, under these heads alone, as expenditure on Territorial account, together with the interest accruing upon it, in consequence of the insufficiency of the revenues to defray the demands upon them in most years, which caused a proportionate augmentation of the India debt.

Thus, under the three principal heads which have already been considered payments out of Territorial resources are not brought to account in the Statements under review, although

although contained in the documents from which those Statements were drawn, to the amount of 4,782,265 *l*.

If only simple interest upon this amount, at the rate borne by the India debt, were added to it from the periods of disbursement to the year 1827-28, the effect of the omission of these charges would appear to be not less than 13,000,000 *l*. sterling.

But further and more extensive alterations would still be requisite.

Another important head of expenditure, not referred to in the Statements under consideration, is the advances made on account of His Majesty's Government for the capture and maintenance of Ceylon and the Eastern Islands, for the fitting out of expeditions during the late war, for supplies to the King's Navy in India, &c. &c. It appears, from the Appendix, No. 17 to the Third Report, that a large amount advanced on this account, and admitted by the Select Committee of 1808, was included in the charges and interest paid in India, and was charged upon the Revenues; but that a further part was not so included. In the Appendix No. 51 to the Fourth Report, already referred to, this part is stated to amount to 1,661,345 *l*., which, in the Third Report (page 365), is explained as consisting of the balance of admitted charge shown in Appendix No. 17; viz.

St. Helena	-	-	973,945
Carnatic and Tanjore	-	-	
Debts	-	-	1,359,013
Miscellaneous	-	-	2,449,307
			<u>£. 4,782,265</u>
And the sum advanced by the Company, but not admitted by the Select Committee as a charge against the Public, amounting to	-	-	437,774
Total as above	-	-	<u>£. 1,661,345</u>

This is evidently not a Commercial charge; and as it appears from the Account No. 17, that it occurred almost entirely in years in which there was a Territorial deficit, it follows that debt must have been incurred to meet it; which, together with the interest thereon, and the further debt and accruing interest in the majority of years when the produce of the revenues was insufficient to defray the charge of interest, constitutes a sum of large amount, which, although the transactions producing it are of a character different from such as are usually included under the Territorial branch of the Company's concerns, was strictly a political disbursement, and could not be "applied to Commerce." The amount, therefore, forms a further deduction from the funds assumed to have been so applied.

Here it may be proper to notice, that a continuation of this Account to a later period was presented to the Committee in the last Session, subsequently to the date of the Statements now under review. This Account embraces the extensive advances which were made for the outfit of the expeditions against the French and Dutch islands, and the subsequent supply of the captured settlements, which advances stand on a similar footing with those above-mentioned. It is stated expressly that no part of them was included in the charges, and for the most part they could only be supplied by a large increase of the Indian debt. The amount of these advances, from 1806-7 to 1821-2, was £. 11,277,839. And the interest upon them is calculated at £. 7,271,220. Credit is given for repayments by His Majesty's Government made in England, amounting in principal to 9,291,940.

The interest on which is stated at	-	-	-	-	-	-	-	3,574,903
Leaving a balance of Principal of	-	-	-	-	-	-	-	1,985,899
And of Interest of	-	-	-	-	-	-	-	<u>3,696,317</u>

Which balance was settled by compromise in 1822.

None of the above transactions are connected in any way with Commerce. The debt incurred on account of these large advances, instead of being incurred for Commercial purposes, as is alleged, was occasioned entirely by the demands for the King's service. As the repayments were made in England, they did not operate to reduce the debt thus increased, although, by their application to Territorial demands at home, they prevented, to that extent, its further increase.

But further, in the assumption that the surplus of Territorial receipts from revenue and from loans, which is made to appear in the Account B, is "wholly unaccounted for, unless it has been applied to Commerce," the fact has been passed over, which is evident on the face of the statements from which that account was compiled, that the *Balance of Cash and Bills in the Indian treasuries* has greatly increased during the period under review, and that by far the larger part of that increase must have been Territorial. Such balance must have been created by the application to that purpose of an equivalent amount of the Territorial resources, which amount has not been expended at all, and consequently cannot have been applied to Commerce.

On reference to Appendix No. 8, of the Second Report (1810), and to the continuation of No. 6 of the Papers of 1830, it will be seen that the increase of the balance in the treasuries, between 1793 and 1828, was 6,251,867 *l*. The increase has been gradual, but more rapid during the last half of the period. In the years in which it was not supplied from surplus Revenue, it must have been produced by the retention in the treasuries of money borrowed; not only, therefore, will the sum assumed to have been applied to Commerce be greatly diminished by the requisite correction arising from the actual amount of increase under this

			£.
On 30th April 1828	-	-	8,106,360
D ^o - - 1793	-	-	1,854,493
Increase	-	-	<u>£. 6,251,867</u>

Appendix, No. 25.

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the
East India Com-
pany.

Accounts of 1830,
No. 6.

Continuation of
Accounts of 1830,
No. 6.

Lords' Evidence,
P. 337.

this head, but a still larger sum, in interest, with which the Territory is said to have been "burthened by Commerce," must, under this view, be carried to the account of the former.

That the cash so accumulated is mainly Territorial will be evident, when it is remembered that the increase has arisen from the multiplication of treasuries scattered over vast tracts of territory acquired during the period under review, arising from the cessions or conquests enumerated in the Narrative No. 2, (D) of the Papers of 1830, nearly the whole of which treasuries are exclusively maintained for Territorial purposes. This view is confirmed by the fact, that when the cash in the India treasuries was carried to separate account in the year 1814, the whole that was considered to be Commercial was 207,147 *l.* out of 5,887,032 *l.*

In 1828, the Commercial cash is stated to amount to 383,939 *l.* out of a balance of 8,106,360 *l.*

Further discrepancies in the Statements under consideration might be pointed out, some of them of not less amount than the heads of omitted charge first noticed in this Paper; but it is presumed that enough has been shown, and shown chiefly from the documents whence the materials of the Statements were selected, or from others in the same collections, to make it evident that the Statements cannot be relied upon, and that they by no means establish or countenance the assertions which gave birth to them. It may be further observed, that the Accounts in question equally fail in supporting the views taken by Mr. Rickards in the Statements presented by him to the Committee of the House of Lords in 1830, with the principles as well as the results of which the Accounts now brought forward are in several respects at variance.

(No. 8.)—Letter from Mr. Robert Wilkinson, to T. Hyde Villiers, Esq.
dated, 3, Copthall-buildings, 21 Feb. 1832.

Sir,

I REGRET that circumstances have rendered it impossible for me to transmit more promptly the accompanying observations on the Papers which I had the honour to receive from you. It is difficult to arrive at perfectly conclusive results with respect to detached portions of the Account between the Territorial and Commercial branches of the Honourable Company's concerns, unless principles be first agreed upon, and details investigated which the Honourable Company alone can furnish.

I have, &c.

(signed) Robert Wilkinson.

EXPLANATIONS, &c.

£ 973,945 charges
of St. Helena.

WITH respect to the first of the objections stated to the Tables, viz. the sum of 973,945 *l.* charges of St. Helena, there is nothing in the Appendix No. 51, to the Fourth Report, which could lead to any other conclusion than that this sum is included in the larger amount, 2,817,146 *l.*, as explained in my Statement of 17th December; if, however, it is to be considered as additional to that amount, its admission against Territorial revenue would only be subject to the general observation, that the whole of the expenses of

Bencoolen, Prince of Wales Island, &c., including St. Helena, to

1808-9 - - - - - £. 5,069,114

And of St. Helena separately, from 1809-10 - - - - - 1,887,462

Together - - - - - £. 6,956,576

although introduced into my Tables for the purpose of showing the result of the account of Indian revenues, even admitting these charges in conformity with the example in the Appendixes to the Reports, but subject to the explanations afterwards given by the Honourable Committee of their Non-territorial or only partially Territorial character, yet that in my judgment either the whole or by far the greater proportion ought to be struck out from the account of Territorial charges as strictly appertaining to Commerce, those establishments having been founded and maintained, as it appears to me, not with any view to Territorial objects, but for purposes exclusively Commercial.

On the payments to the creditors of the Nabob of Arcot and the Rajah of Tanjore, I have nothing to add to the remarks in my Statement of 17th December, except that neither the "Observations," nor the Appendix No. 51, to the Fourth Report, establishes the position that 1,058,953 *l.*, and 64,044 *l.*, paid in India, and constituting the principal part of the amount, are not included in the Madras disbursements, and consequently not included in the Territorial charges.

£ 1,359,013 pay-
ment to the credi-
tors of the Nabob
of Arcot and Rajah
of Tanjore.

Doubtful - - - £. 5,953,660
Increase of Dead Stock 862,992
Ditto at St. Helena - 58,698

The next item in the "Observations," viz. 5,953,660 *l.*, denominated by the Select Committee "doubtful," includes the charge for St. Helena 973,945 *l.*, which had already been treated of separately; and of the remaining items, I have only to observe, in addition to my Statement of 17 December, that I find nothing in the Appendix No. 51, to take the Dead Stock in India, 862,992 *l.*, and ditto,

ditto, St. Helena, 58,698 *l.*, out of the general rule thus described in No. 19, p. 40, of the Papers of February 1830, and in various parts of the Reports: "These stores (speaking of Dead Stock) " are composed partly of stores purchased and paid for in India, and partly of stores purchased and paid for in England. The cost of the former has been included in the Indian charges; the cost of the latter has been stated in the Home charges." Nor does it appear what portion of them is Territorial; nor does either the Honourable Committee, or the writer of the Observations, deduce from the whole any specific sum as chargeable to Territory.

I have nothing further to remark on the 500,000 *l.* paid for participation of profits to the Public.

With respect to the losses by consignments from port to port in India, 1,334,831 *l.*, whatever importance might reasonably be attached to the description now given of the Honourable Company's transactions between port and port, the remarks in my Statement of 17 December still hold good to their full extent. Whether any, and what part, should be charged to Territory, must depend on an analysis, which the printed Papers do not supply the means of undertaking, and without such an investigation it is difficult to conceive that the Commissaries or others who supplied those shipments which were Territorial, did not charge them to some account in which credit has already been taken for them as disbursements or charges, and in that case it is erroneous to bring them forward a second time in the character of losses. The same reasoning is considered to apply to the additional sums of 301,598 *l.* from 1809-10 to 1813-14, and 349,307 *l.* from 1814-15 to 1826-27.

Without further information it is difficult to understand and impossible to ascertain that the sum of 921,690 *l.* and 90,946 *l.* increase of Dead Stock, are not included in the charges either of India or England at the various periods when the disbursements for them were made, and no explanation is given which requires that the rule before referred to must in this case be dispensed with. It is obvious that if they were included in political stores shipped from England or purchased in India, they are comprised as charges in my Tables.

The writer of the Observations proceeds to remark, that if the various particulars enumerated above were brought to account, they would constitute together an additional amount of charge against Territorial revenue of 4,782,265 *l.*, or, with interest to 1827-8, not less than 13,000,000 *l.*; but I beg leave to suggest, that the premises must be much better established before they can be admitted in the character contended for; nor, if they were, can it be thought sufficient merely to correct one side of the account while there are other large amounts to be brought to the opposite side, which ought in fairness to be considered in connexion with them, such as the following:

Loan in England in 1812, charged with the interest to Territorial revenue,	
for which Revenue received nothing	- £. 2,500,000
Interest thereon	- 1,307,985
Loan from the Nabob of Oude, liquidated by a grant of Territory	- 1,109,975
	£. 4,917,960

These sums are not introduced into my Tables as receipts on account of Territory, and therefore are to be considered, until some general adjustment, embracing all these and other particulars, shall be made, as advances by Territory to Commerce, for which the former has not had credit, and constitute more than a sufficient set-off against the above 4,782,265 *l.*, even if the 6,956,576 *l.* disbursed for Bencoolen, St. Helena, &c., were allowed to remain a charge against Territory.

The next items of 1,223,571 *l.*, the balance of admitted, and 437,774 *l.* of unadmitted, claims against the Public, for the capture and maintenance of Ceylon and the Eastern Islands, &c. are introduced in the following manner: "It appears from the Appendix No. 17 to the Third Report, that a large amount advanced on this account, and admitted by the Select Committee of 1808, was included in the charges and interest paid in India, and was charged upon the Revenues, but that a further part was not so included;" this further part was 1,661,345 *l.* composed of the two above-mentioned sums. This, it is said, was not a Commercial charge; that it was almost entirely occasioned in years in which there was a Territorial deficit, and that therefore debts must have been contracted to meet it. It is allowed that "the transactions producing it are of a character different from such as are usually included under the Territorial branch of the Company's concerns," but that it was "strictly a Political disbursement, and could not be applied to Commerce." Here are one or two assumptions; as, first, that there was a Territorial deficit in the years which gave occasion to these transactions; and, secondly, that they are necessarily to be charged to Territorial revenue. But to assume as a matter of course that there was a Territorial deficit in those years, is to take for granted what will not readily be admitted to the extent demanded, nor without adding to the revenues of current years the remaining surplus upon the Territorial receipts of former years, on an account fairly stated; and it is contended, that such an account would exhibit, not a deficiency, but a large surplus of Revenue for the whole period. Whether these expenses are properly chargeable to Territory must depend, as it appears to me, upon some considerations which have not been alluded to in the Observations, and, chiefly, whether the security or increase of the Indian Territorial revenue was the object of them; but this supposition is very positively negatived by the Honourable Company in their correspondence with the Lords of the Treasury on the subject of their

Appendix, No. 25.

Correspondence, &c. relating to Mr. R. Wilkinson's Statements on the Finances of the East India Company.

£. 500,000 paid to the Public.

Losses from Port to Port £. 1,334,831, and additional from 1809-10 to 1826-7

Increase of Dead Stock not in Charges.	
1792-3 to 1808-9	- £. 921,690
1826-7, D ^o , N ^o 19	- 90,946

£. 1,223,571 and £. 437,774, claims on the Public for Ceylon and the Eastern Islands.

Appendix, No. 25.

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the
East India Com-
pany.

Appendix to First
Report, p. 52.

claims for reimbursement, as given in the Appendix to the First Report; they repeatedly declare that these expeditions were not considered necessary by the Company to those objects, and never would have been undertaken, except at the instance of the Government, against whom their claim is preferred, upon that ground, for the whole amount. What branch of the Company's concerns was it then which was to derive advantage from these undertakings, since Territorial revenue was certainly to receive none? They urge upon the consideration of the Lords of the Treasury the disadvantages arising to the Company from a state of war in India, arising out of European warfare; but subjoin, "although it may be admitted, that notwithstanding these additional imports, the trade of the Company during the last war flourished beyond example; still this circumstance produced considerable advantage to the State, in the mode above described, whereas the Company by no means benefited in proportion, because, from the heavy expenses of their military establishments, and other incidental causes, they have been obliged to borrow money in India at very high rates of interest, to supply the investments for Europe, which have furnished the sales at home, on which Government have reaped so great advantage, from the duties levied thereon." It is not surprising that the trade of the Company should appear to flourish under a system which allows the investments for Europe to be furnished from loans in India, not charged to Commerce, but to Territorial revenue, while the payments in England for Territorial account are likewise charged to Indian revenue. That the investments were so provided is here distinctly admitted; and something of the process by which Territory is thus burthened, and Commerce relieved, will appear from the consideration of the Appendixes No. 4 to the First Report, and No. 17 to the Third Report. We collect from the former, that the Company's claims on the Government amounted, in principal and interest, to 8,461,331*l.*; and from the latter, that of this amount 8,212,372*l.*, principal and interest, have been admitted; of which there has been 3,675,533*l.* principal, and 3,313,268*l.* interest, placed to the account of Indian charges, and consequently the principal, 3,675,533*l.*, is included in my Table A in diminution of the balance which would otherwise have appeared as the surplus of Indian revenue; yet the whole, together with the 1,223,571*l.*, alleged not to have been carried to the same account, are claimed from and liquidated by the Government. I am sensible that some part of this claim has not been repaid to the Company in money; there is a large deduction for Pay-office and Victualling-office demands; but it seems reasonable, upon the supposition that Territory was correctly charged with these disbursements in the first instance, that any monies received from the Government in repayment should pass to the credit of Territorial revenue: and it appears, from Appendix No. 4 to the First Report, that no less a sum than 3,400,000*l.* of principal, carrying 841,900*l.* interest, was so received in Leadenhall-street, from August 1798 to July 1806. It appears to me, therefore, that in the statement of Indian revenue, either the above 3,675,533*l.* must be withdrawn from the charges, or 3,400,000*l.* must be added to the receipts. When this correction is made, viz. when 3,400,000*l.* are admitted as a receipt on account of Territorial revenue, if the balance of 1,661,345*l.* be held to belong to the administration of the government of India, it would be rightly placed amongst the Indian charges.

Balance of Charges
on the French and
Dutch Islands,
Principal £. 1,985,899.
Interest £. 3,696,317.

The next item exhibits a balance of 1,985,899*l.* principal, and 3,696,317*l.* interest, abstracted from Territorial revenue or Indian loans, and applied to the outfit of expeditions against the French and Dutch Islands, and subsequent supplies to the captured settlements, from 1806-7 to 1821-2, which are represented to "stand on a similar footing with those above-mentioned." The first remark to be made upon this item is, that the Statement to which it refers, Appendix No. 41 to Evidence presented in October 1831, was printed subsequent to the preparation of my Tables, and could not therefore have been consulted by me. The second is, that when the documents upon which those Tables are founded are described as containing "the total annual amount of the Revenues and Charges" of India; and when this description is adopted and confirmed by the Honourable Committees, it could scarcely have been expected that an account extending in amount to so many millions, and in duration from 1806-7 to 1821-2, should have remained unnoticed during the whole period, to be first brought forward in 1831, and the balance claimed as a charge against the Territorial revenues of India. And, considering the example presented by the preceding part of the account, wherein similar advances have been *included* in the Indian charges, least of all could it have been expected that in this continuation of it they should have been *excluded*; yet such is represented to be the fact, both in the Observations and in a note at the foot of the printed Statements. But it moreover appears, from the Treasury Minute alluded to, that His Majesty's Government liquidated the account, by placing to the Honourable Company's credit, as from 1812, 1,300,000*l.*, which, when the interest from that period is added, will leave but a comparatively inconsiderable balance (if any) on this head of claims. This account, however, appears to me to stand upon a different footing from the preceding one, in this respect, that if the disbursements contained in it are to be considered as charges appertaining to the administration of the Government of India, which I am not prepared to admit, and have not been liquidated, they constitute new matter, never before disclosed, to be brought to account against the Territorial revenues of India, which must also have credit for the payments received from Government, and otherwise, on account of them. But there should first be an investigation of the nature of these charges with reference to the principal, and an ascertainment of the true state of the Indian revenue, as a distinct and separate account, with reference to the necessity for borrowing and the amount of interest claimed. But although I have thus supposed a case in which the subject of the two preceding articles would

would be placed to account of Territorial charges, I must beg leave to retain the opinion, that these expeditions were undertaken mainly with a view to the security and advantage of Indian commerce, and that the expense ought to be divided in proportions, to be fixed by competent authority, between Commerce and Territory.

It is remarked that these advances "could only be supplied by a large increase of the Indian debt; but this considered alone proves nothing with respect to the propriety of charging these loans with the interest to Territorial revenue; it should further be shown, by an account fairly stated, that the exhausted state of the Indian treasury was occasioned by a deficient revenue; and if it should appear, on the contrary, upon such an account, that there had been a sufficient surplus of revenue, but that the exhaustion of the treasury was occasioned by the surplus having been applied, like the loans referred to in a preceding extract, to the supply of investments for Europe, there would manifestly be as great an impropriety in charging these as there was in charging those to Territorial revenue.

It is represented as a great oversight that the increased balance of cash and bills in India in 1828 over that of 1793, 6,251,867 *l.* has not been admitted as accounting for the surplus of receipts over disbursements for Territorial account 11,208,417 *l.* in the Table B. The expectation that it should have been so admitted can only be founded upon a mistaken view of the nature of that Table; it does not purport to be a statement of Indian receipts and disbursements alone, but professes to collect from the accounts in India and England, considered as one general cash account, all receipts and disbursements which, in the printed Papers, are treated as appertaining to Territorial revenue and charges: it brings, in addition to the revenues, the loans of India to the debit of the account, and admits to its credit the interest on those loans, in addition to the charges, as well in England as in India, designated Territorial, in order to try the truth of the allegation, that the Indian loans were necessary to supply the deficiency of Indian revenue, it being obvious that if such were the case, there could be no balance upon an account containing the whole of those receipts and payments; and it is shown that the disbursements amount to less than the receipts from revenue and loans by 11,208,417 *l.*; this therefore may, for that purpose, be called the Territorial portion of the general cash account in India and England, as collected from the representations of the Company in the printed Papers. But if we advert to the Commercial branch of the same general account, we find it asserted by Mr. Melvill, in his Evidence, Second Report 1830, p. 763, that Commerce has contributed to Territory, or, which is the very same thing, to the general fund, from 1813-14 to 1827-28, the sum of 19,384,774 *l.* Now the only way in which Commerce could make this contribution would be by supplying to the general fund 19,384,774 *l.* more than it has withdrawn; if therefore the surplus said to have been contributed by Commerce has not been diminished by Territorial demands, (which cannot be if the Table contain the whole), there ought to remain upon the general cash account,

	£.
The balance of the Territorial account - - - - -	11,208,417
And of the Commercial ditto, from 1814 to 1828, to say nothing of the previous alleged balance of 12,044,934 <i>l.</i> - - - - -	19,384,774
Making together - - - - -	30,593,191
But the balance actually found is, in India - - - - - £. 8,106,360	
in England - - - - - 312,638	
	8,418,998
There is therefore an amount of - - - - - £.	22,174,193

Which is a deficient balance, and to be debited to Territory or Commerce, or to both, in proportions to be adjusted, before it can be ascertained to whom the balance really existing belongs. But considering the Table B as the Honourable Company's own representation in the printed Papers of what ought to be charged to Territory, it is thus shown to be impossible that Commerce can have contributed 19,384,774 *l.*, or any other sum, to Revenue: on the contrary, the balance supplied by Territory alone, even after placing to that account the whole of the interest, we see is not forthcoming. But it is further maintained that the Table A contains in effect the true statement of Territorial revenue and charges, (subject to adjustment on both sides of the account, which will probably not materially affect the result); and in that case, Commerce must be debited with all the loans and all the interest not required to assist Territorial revenue, and thus we return to the position from which we originally set out.

3, Copthall-buildings, }
21 February 1832. }

(signed) Robert Wilkinson.

Appendix, No. 25.

Correspondence,
&c. relating to
Mr. R. Wilkinson's
Statements on the
Finances of the
East India Com-
pany.

FURTHER OBSERVATIONS on the STATEMENTS forwarded by Mr. Rickards.

THE second paper of "Explanations," in reply to the "Observations on the Statements relating to the Finances of India, forwarded by Mr. Rickards," might have been suffered to pass without particular notice, under the impression that every impartial reader who is conversant with the subject would see that the objections which have been urged are in no respect invalidated by those Explanations, were it not that the attempt made to evade their force, and, in some instances, to occupy new ground, may render a few brief observations in reply desirable, in order to obviate misconception upon a question of some intricacy, not usually much investigated, but which has now become one of considerable interest.

Before the details are taken up, it may be proper to recal the grounds on which the Statements put forward by Mr. Wilkinson rest, and what has been the drift of the remarks made upon them. Those Statements professed to show, that if every description of the Territorial disbursements of India were brought in charge against the revenues, from the year 1793-94 to the year 1827-28, inclusive, the revenues would have been more than sufficient to cover them; and consequently that the debt incurred must have been on Commercial, not on Territorial account. This, it is assumed, is corroborated by a further statement, showing that if credit be given for all the receipts from loans as well as from Revenue, and all charge on Territorial account be set against the aggregate, a considerable surplus will remain, which is unaccounted for, unless it has been expended upon the Company's Commerce, to which it is asserted that the surplus, which is made to amount to above 52 millions, has been applied.

Supposing the resources to be accurately carried to account, which is a comparatively simple process, it is evident that the validity of the conclusion drawn from such a statement entirely depends upon the fidelity with which every charge of a political character is brought into view; and this point is of the more importance when the addition of interest, and often of compound interest, according as the annual result and the amount of debt alters from year to year, so extensively affects the *general* result of a long period.

The object, therefore, of the observations already made has been chiefly to inquire into the accuracy of the charges, whence it has become necessary to point out omissions in the Indian charges alone, so numerous, and of such magnitude, as render the Statements in question wholly insufficient for their professed purpose.

It should however be remarked, that the errors in these Statements are not confined to the side of the charges, for under the head of "Increase of Debt by additional Loans," in Table B, a considerable sum is included which does not fall under that description, consisting of arrears of allowances to the civil and military servants of the Company, interest due, &c. which, though they constitute a debt, could not have been available as supplying additional funds. This over-debit to the Territory affects the result materially in the course of the period reviewed.

									£.
In 1792 the amount of them was	-	-	-	-	-	-	-	-	1,150,172
In 1828 it was	-	-	-	-	-	-	-	-	2,554,335
Being an Increase of									£. 1,404,163

To proceed to the expenditure from revenue or from loans, omitted in the Tables. *First*, Charges of St. Helena, 1793-94 to 1808-09, 973,945 *l*. This was shown in the "Observations" not to have been included in the charges taken as Territorial in the Tables, on three grounds:

1. Their being introduced by the Committee of 1812, in Appendix No. 51, to the Fourth Report, (the object of which was to account for a deterioration of property in the period above stated), as an expenditure over and above the surplus charge in India, of which "supplies to Bencoolen, Prince of Wales Island and St. Helena," formed a part.
2. The amount of 131,406 *l*. only being deducted in that Appendix from the above item of supplies as the amount advanced in India on account of St. Helena; and,
3. The supplies to St. Helena appearing from Appendix No. 19, to the same Report, to be drawn almost entirely from England, not from India.

It may be added that it is a fact well known to those conversant with the Company's accounts, that the charge of St. Helena has always been stated as a branch of the home expenditure.

In the "Explanations" it is asserted, without any attempt at proof, that there is nothing in No. 51, of the Fourth Report, which shows that these charges have not been before included. The third proof to the contrary is wholly unnoticed. But it is added, that if this is to be considered as an additional charge, its admission will only be subject to the general observation, that the whole, or the greater part of the supplies, not only to St. Helena, but to Bencoolen and Prince of Wales Island also, amounting to 6,956,576 *l*., should be struck out of the Territorial charges, as strictly appertaining to the Commerce.

To this it may be replied, that it is the first time that the charge of Prince of Wales' Island has been asserted to be a Commercial charge, and that no argument whatever is adduced in support of the position; and with respect to Bencoolen and St. Helena, that the authorities invested by the Legislature with power to decide the point, have declared the charge of those places to appertain to the Political branch; and unless it can be shown

shown that they stood on a different footing previously to 1814, it must be so considered Political in the earlier period. When a division of expenditure into Political and Commercial is to be made, the cost of maintaining forts and garrisons for the occupation of places unproductive as Commercial establishments, naturally falls under the former description, and it was so classed accordingly. With respect to St. Helena, it can never be admitted that the full charge may be introduced in one half of the statement, and excluded in the other

Secondly. Payments to Carnatic and Tanjore creditors, 1,359,013 *l.*

It is observed in the Explanations, that nothing in Appendix No. 51, of the Fourth Report, establishes the position that the sum of 1,122,997 *l.*, paid in India, was not included in the Madras disbursements; but the very fact of the amount being introduced in that Statement, in addition to the "Surplus Charge in India," from 1792-93 to 1808-09 (which is the result of the finances of the three Presidencies, after including all that was inserted in the Madras disbursements), as an additional means of accounting for the deterioration of property in the period, clearly establishes the position that these payments had not been previously included. Another proof is, that they are brought into view in the Third Report* of the Committee, which was particularly directed to the consideration of *extraordinary* receipts and payments not embraced in the Accounts yielding "the Surplus Charge in India" above referred to, which were reviewed in the *Second* Report.

That payments attaching to portions of the territories of two native princes which had come into the possession of the British Government in India, should be treated as a "Commercial loss," is too absurd a position to require refutation.

Under this and the last head errors exist to the extent of 2,332,958 l., with all the interest which would accrue from the introduction of them into the Table (A) at an early period.

Thirdly. Losses by consignments from port to port†, and losses at the several Presidencies - - - - - £. 1,085,736

[illegible]

Participation paid to the Public	-	-	-	-	-	-	-	500,000
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1. *Losses.* In the former Explanations of 17th December, it was contended that it was impossible to ascertain how much of these losses was Territorial, and how much Commercial, and therefore the whole was omitted from the Territorial charges. In the Explanations of 21st February it is insinuated, that the whole must have been included in the charges, and therefore cannot be brought forward a second time as losses.

As to the latter point, it is unquestionable, whatever be their character, that they have not been included in the charges. The insertion of them by the Committee in the Appendix No. 51, to the Fourth Report, in addition to the surplus charge of India, proves it. Moreover, the losses at the Presidencies are there described expressly as "not included in the charges;" those from 1809-10 to 1813-14 (Papers of 1830, No. 16) it is as expressly stated in the title of the Account, "have not been inserted in the charges of the said Presidencies;" and those of 1814-15 to 1826-27 (Papers of 1830, No. 17) have precisely the same description. If this were not sufficient, both the losses from port to port, and at the Presidencies, are introduced by the Committee in their *Third* Report, and are consequently *extraordinary* payments not included in the charges. This point is therefore indisputably established from the Papers from which the materials of the Tables (A) and (B) were drawn; and as to the proportion that is Territorial, it was proposed upon grounds stated in the Observations, that of the sum of 1,636,429*l.* undistinguished, 1,000,000*l.* might safely be assumed to be Territorial, while the sum of 349,307*l.* is in the account of those losses declared to be exclusively so; and as no objection has been stated to this division, it follows, that to the further extent of 1,349,307*l.*, with interest, the Tables require correction.

2. *Increase of Dead Stock.* In the "Explanations" of 17th December, the only remark on this charge is the following: "The cost of the dead stock has been included in the Indian charges, as I well recollect to have read in some part of the printed Papers." In the Explanations of 21st February, it is observed on this point, "I find nothing in the Appendix No. 51, to take the dead stock out of the *general rule thus described* in No. 19, of Papers of February 1830, and in various parts of the Reports: 'These stores,' (speaking of dead stock) 'are composed partly of stores purchased and paid for in India, and partly of stores purchased and paid for in England. The cost of the former has been included in the Indian charges, the cost of the latter has been stated in the Home charges.'"

It

* The payments in question are introduced, in App. No. 26 to the Third Report, as *Extraordinary Disbursements*. See also Third Report, p. 365.

† 1792-3 to 1808-9 :	Losses from Port to Port	-	-	-	£. 873,403
	Losses at the several Presidencies	-	-	-	461,428
1809-10 to 1813-14 :	-	-	-	Ditto	£. 1,334,831
	-	-	-	-	301,598
	Total Losses not distinguished	-	-	-	£. 1,636,429
1814-15 to 1826-27 :	<i>Territorial Losses,</i>	-	ditto	-	349,307
					£. 1,985,736

Appendix, No. 25.

Correspondence,
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pany.

It would hardly be supposed, that this remark does not apply at all to the articles in question. On reference to the Account No. 19,* it will be seen, that it applies to the head of Military Stores alone, and those of a period subsequent to 1809, whereas the charge now referred to applies to the increase of dead stock in the Civil Department, which took place in previous years. It is evident that this is no "general rule" applicable to dead stock; indeed, in the very account referred to (No. 19,) a sum of 90,946*l.* increase of dead stock, is expressly stated to be "not included in Charges in India."

So also the title of the account of the increase of dead stock (Appendix No. 25 to the Third Report) describes the expense as "not included in the charges."

As the Appendix No. 51, does not determine what proportion of this charge is Territorial, reasons were stated in the Observations why the part chargeable to that branch might fairly be estimated at 850,000 *l.*

3. *Participation paid to the Public, 500,000 l.*

Half this sum it was proposed to charge to the Territory, as the Committee of 1812 describe it as composed of profits from the Revenue and the Commerce conjointly. In the Explanations it is contended that it is entirely Commercial, but it seems to have been more a Territorial than a Commercial payment, since it was one of the appropriations of the Revenues of India, and the payment was to be suspended in case of the expenses of war absorbing the resources from whence it was to be derived. Payments affected by war charges falling upon the Revenues of India, could hardly be connected with the Commercial branch, and, certainly, could in no light be viewed as entirely of that character.

Under the third or miscellaneous head, therefore, comprising Losses, Dead Stock, and Participation of the Public, the Territorial expenditure omitted remains as stated in the former Observations at

-	-	-	-	-	-	-	-	-	£. 2,449,307
which added to the two former heads	-	-	-	-	-	-	-	-	2,332,958

makes an aggregate of omissions in principal amounting to

-	-	-	£. 4,782,265
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In connexion with these Charges it is urged, that both sides of the account should be subjected to revision, and receipts that are omitted be introduced as well as charges. There is no difficulty in acceding to this proposition, if the Statements were considered susceptible of complete revision; but that is impracticable, and it was considered sufficient to show, by a few obvious instances, that accuracy of principle had been so little observed with regard to the Indian Charges, that the Tables could not be relied upon, and could not establish what was designed by them. Some receipts from loans, which ought to have been included, have it seems been omitted from the Tables. These will be noticed in due course.

The fourth head of omitted charges is Advances on account of the King's Service for the capture and maintenance of Ceylon and the Eastern Islands, &c., 1,661,345 *l.*

It is admitted in the "Explanations," that if this balance be held to belong to the administration of the Government of India, it would be rightly placed among the Indian charges. That it has not hitherto been included among them is clear from its being brought into Appendix No. 51 to the Fourth Report, as an expenditure additional to what is included in the accounts producing "the Surplus Charge," as observed under other heads; as likewise from its introduction among *extraordinary* disbursements in the Third Report not forming part of the ordinary charges (page 365 and Appendixes Nos. 17 & 26.)

How any one who has looked at the accounts of these expenses could, for a moment, suppose them to have been incurred on Commercial account is unintelligible. Besides supplies to the King's navy, they will be found to include advances for expeditions against Manilla, Egypt, Buenos Ayres, the Cape of Good Hope, Java, the Spice Islands, &c. &c. They do not in fact belong to the head of Indian Expenditure, neither the Territorial nor the Commercial, but to a separate account; nevertheless, as having absorbed money borrowed on loan, they constitute one means of accounting for the funds borrowed in India; and in Statements such as those under examination, should be brought in charge accordingly. This amount, added to the sums stated under previous heads, would carry the total of omissions to 6,443,610 *l.*

£. 4,782,265
1,661,345
£. 6,443,610

It is urged in the Explanations, that certain repayments by Government in England upon this account should be credited. The propriety of bringing to account these repayments as a set-off to Home Territorial Charges, has been stated in the Observations. It would occupy more space than could be allotted to it in this place, to exhibit the effect of all such adjustments upon the account, but before this credit could be given, the Home Territorial Charges contained in the Tables must undergo extensive correction.

It was not thought requisite on a former occasion to travel further than through the Indian Charges, but it may be proper now to glance at the Home Charges, the Statement of which, as exhibited in the Tables (A) and (B), cannot fail to attract notice, as their amount in 1808-9, when at nearly the highest standard of the earlier years, was only 550,766 *l.*, while in the next year they are shown to be 1,057,225 *l.* and in subsequent years still higher. So striking a difference might have called forth some doubt as to the accuracy of that part of the Tables. The Statement from which the charges of the earlier years is taken (Appendix No. 46, to Third Report) is incomplete for the purpose to which it has now been applied. It was also framed before the principles of separation of accounts acted upon

* The note is appended to an account of the increase of Dead Stock, and runs thus: "This account does not comprehend Military Stores. The value of such stores, stated as Dead Stock, amounted in April 1814 to 1,975,254 *l.*, and in April 1827 to 3,614,687 *l.*" Then follows the passage quoted in the text, "These stores are composed," &c.

upon in later years were determined, and from causes into which it is not necessary here to enter, it does not contain all the expenditure which must be considered fairly chargeable upon the Revenues. No payment whatever is included for expenses incurred in this country on account of *King's regiments serving in India*, which must ever be a charge upon the Revenues. These expenses amounted in the years 1793 to 1808, to 3,138,526*l.*; from 1809-10 downwards they are inserted in the Home Charges.

Again, the cost of *political stores* sent to India, beyond what is accounted for in the Indian Charges, has not been included in the earlier years. It is impossible to state with any accuracy the amount that should be charged under this head; but it appears from the account of stores exported, Appendix 35, to Fourth Report, that their value (excluding St. Helena and China) from 1793-4 to 1808-9, was 4,955,072*l.* by far the greater part of which were doubtless political stores. The amount brought to account in the Indian books is not known, but in the subsequent years to 1822-23 inclusive, not more than two-fifths of the value exported were credited in those books. There remains, therefore, to be further charged to the Territory a very large sum on this account.

Moreover a portion of the Home Charges noticed in Mr. Melvill's evidence before the Commons' Committee, on 7th June 1830, consisting of *off-reckonings* and *stores*, which were not included in the Statements from which the Account, No. 2, of February 1830, was drawn, require also to be added; these amount to the sum of 1,698,982*l.*

Off-reckonings	-	£. 957,755
Stores	-	741,227
		<u>£. 1,698,982</u>

The off-reckonings of the period prior to 1809-10 should also be added. Here, then, abundant additional reasons are furnished why the view taken in the Statements in question cannot be maintained.

Fifthly. The next point to be noticed is the omission of all reference to the increase of the *Cash Balances in the Indian Treasuries* during the period, amounting to 6,251,867*l.* which must have been furnished from the Revenues or the Loans for which credit is given in the Table (B). It is only requisite to observe, in reply to the remarks on this point, in the "Explanations," that whether the amount be introduced into that Table or not, is of little importance, but it certainly ought to have been adverted to before it was asserted as a consequence deduced from that Statement, that the whole surplus of the resources from Indian Revenue and Loans which remains after charging the amount of expenditure there introduced *, "has been applied to Commercial purposes" and that "the balance supplied by the Territory is not forthcoming;" assertions which the Statements then before the writer were sufficient to show to be without foundation. The part of those resources applied to the augmentation of the cash balances, could not possibly be applied to Commercial purposes.

The additional receipts from loans, which it is stated in the Explanations should be added to the resources of the Territories, are as follows:

Loan in England in 1812	-	-	-	-	-	-	-	-	£. 2,500,000
Interest thereon	-	-	-	-	-	-	-	-	1,307,985
Loan from Nabob of Oude, commuted for Territory	-	-	-	-	-	-	-	-	1,109,975
									<u>£. 4,917,960</u>

Upon the principle of the Table (B) there would have been no objection to the insertion of the loan of 1812, as a receipt on Territorial account, but how the interest *paid* on the loan can constitute an additional *receipt* is not explained. All other interest on debt is included in that Table among the *charges*, and the interest upon that particular loan is expressly directed by Act of Parliament to be treated as a *Territorial payment*.

The Oude loan might be admitted as a receipt in India; but against these additional resources is to be set the over-credit taken for the arrears of allowances, &c. noticed at the beginning of these observations, as not constituting an available resource. The balance to be credited to the Territories on this ground, would counteract but to a small extent the large omissions of charge which have been pointed out; besides which those omissions occurring for the most part in the earlier years, and money being annually borrowed to meet them, the consequent increase of interest on the Territorial account must form an immense addition to the first charge, upon the principle adopted in those Tables. The loan in 1812 and that from Oude, have occurred in later years.

One remark in the "Explanations" still requires notice. It is observed, that "it is not surprising that the trade of the Company should appear to flourish under a system which allows the investments for Europe to be furnished from loans in India, not charged to Commerce but to Territorial revenue, while the payments in England for Territorial account are likewise charged to Indian revenue." It cannot be intended to object to the charging of Territorial payments made in England to the account of Indian revenue, and if they are so charged, from what source is the latter to defray the amount. It must be either by means of surplus revenue, or in failure of such surplus, by loan, on Territorial account. Whatever be the channel through which these sums may be remitted to this country, whether it be the commerce of the Company or of the private merchant, the character of the debt incurred is not thereby altered, nor does it become chargeable to the trade of the one any more than to that of the other. The existence of a Territorial deficit is indeed spoken of as an inadmissible assumption; but the exhibition of a Territorial surplus,

* *Vide* Mr. Wilkinson's Letter to Mr. Rickards, 10 May 1831; and "Explanations," dated 21 February 1832.

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surplus, by means of the exclusion of large amounts of Territorial expenditure in charge and in interest, appearing in the documents from which the statement is drawn, seems much more to merit that designation.

Had the views in the Tables been confined to the period in which complete separation of accounts has been effected, and not extended to one in which such separation is impossible, erroneous and confused statements would have been avoided or could have been easily rectified. In the present instance, sufficient has been adduced to show that extensive errors exist in the Statements, enough to produce a result with regard to the relative financial position of the Territory and the Commerce the opposite to the true one; in short, the conclusion arrived at in the former Observations has only been more fully established by this further investigation, viz., that the Statements in question neither establish nor even countenance the assertions which gave birth to them, while they equally fail to support the statements put forward by Mr. Rickards, by whose desire these Tables were prepared. Indeed, not the least attempt is made in the "Explanations" to show that the very different principles and results of the respective views can be reconciled, or can stand together.

Appendix, No. 26.

Statements
whereupon the
Half-yearly Divi-
dends were declared,
from 1 May 1814.

Appendix, No. 26.

COPIES of all STATEMENTS submitted to the COURT of DIRECTORS, whereupon the HALF-YEARLY DIVIDENDS were DECLARED, from 1st May 1814, to the latest Period.

THE RETURNS hereunto annexed, numbered (1 to 17,) and specified in the following List, are Copies of Statements which were annually prepared for the information of the Court of Directors, previously to their taking into consideration the Rate of Dividend to be by them recommended to the Court of Proprietors for Declaration at Midsummer in each year, since 1814; being the only Statements of that description which were prepared in relation to the several Half-yearly Dividends declared since that period.

East India House, }
17 April 1832. }

Thos. G. Lloyd,
Acc^t Gen^l.

LIST.

- No.
- (1.)—1814-15. Abstract Statement of Profit and Loss upon Company's Goods sold in the March and September Sales 1814; together with other Profits resulting to the Company in England, in the year ending the 30th April 1815; together with the ultimate Surplus liable to the appropriation of the Act of the 53d Geo. 3, c. 155, s. 57 - - - p. 393
 - (2.)—1815-16. Ditto - ditto - sold in the March and September Sales 1815 - ditto - ditto - 30th April 1816 - ditto - ditto - - - p. 393
 - (3.)—1816-17. Ditto - ditto - sold in the March and September Sales 1816 - ditto - ditto - 30th April 1817 - ditto - ditto - - - p. 394
 - (4.)—1817-18. Ditto - ditto - sold from 1st May 1817 to 1st May 1818; and other Profits resulting to the Company within that period; together with the ultimate Surplus liable to the appropriation of the Act of the 53d Geo. 3, c. 155, s. 57 - p. 394
 - (5.)—1818-19. Ditto - ditto - 1st May 1818 to 1st May 1819 - ditto - ditto - - - p. 395
 - (6.)—1819-20. Ditto - ditto - sold from 1st May 1819 to 1st May 1820 - ditto - ditto - p. 395
 - (7.)—1820-21. An Account of the Profit or Loss upon all Goods sold by the East India Company in the year 1820-21, distinguishing India and China, and specifying the Invoice Price, and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in Great Britain, after defraying all Charges - - - p. 396
 - (8.)—1821-22. Ditto in the year 1821-22; ditto p. 397
 - (9.)—1822-23. Ditto in the year 1822-23; ditto p. 398
 - (10.)—1823-24. Ditto in the year 1823-24; ditto p. 399
 - (11.)—1824-25. Ditto in the year 1824-25; ditto p. 400
 - (12.)—1825-26. Ditto - ditto - in the year 1825-26; ditto - ditto - and converting the Prime Cost of the Investment, so far as it consists of repayment of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books, in transactions between the two Branches of their Affairs, viz. 2s. the current Rupee, 2s. 3d. the Bombay Rupee, and 8s. the Pagoda - p. 401
 - (13.)—1826-27. Ditto in the year 1826-27; ditto p. 402
 - (14.)—1827-28. Ditto in the year 1827-28; ditto p. 403
 - (15.)—1828-29. Ditto in the year 1828-29; ditto p. 404
 - (16.)—1829-30. Ditto in the year 1829-30; ditto (with a separate Statement.) - - - p. 405
- An Account of Profit and Loss upon all Goods sold by the East India Company in the year 1829-30; distinguishing India and China, and specifying the

- No.
- Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce after defraying all Charges; calculating the Prime Cost of the Investment, so far as it consists of repayment of Advances made by the Commercial Department, at the average Rate of Bills drawn from Calcutta on London, deducting 12 months' Interest for Passage and Sight at an Indian Rate of Interest - - - p. 405
- Surplus Commercial Profits of the East India Company, after payment of the Dividends on the Capital Stock, and the Interest upon the Bond Debt, from 1st May 1814 to 1st May 1830, together with the Amount appropriated in the same period, and showing the Balance remaining unappropriated on 1st May 1830; prepared in accordance with the Opinion of the Company's Standing Counsel, as it respects the Home-bond Debt discharged - - - p. 406
- (17.)—1830-31. An Account of Profit and Loss on all Goods sold by the East India Company in the year 1830-31, distinguishing India and China, and specifying the Invoice Price and the several Charges respectively; also the Sale Amounts, showing likewise the Net Proceeds of the Commerce, after defraying all Charges, and converting the Prime Cost of the Investment, so far as it consists of repayment of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books in transactions between the two Branches of their Affairs, viz. 2s. the Current Rupee, 8s. the Pagoda, and 2s. 3d. the Bombay Rupee (with a separate Statement) - - - p. 408
- Ditto - ditto - in the year 1830-31; ditto - ditto - and converting the Prime Cost of the Investment at the Mercantile Rate of Exchange, as ascertained from the Rate at which Bills were drawn from Calcutta on London, deducting 12 months' Interest for Passage and Sight, viz. 1s. 9,875d. per Sicca Rupee - - - p. 409
- Surplus Commercial Profits of the East India Company, after Payment of the Dividends on the Capital Stock, and the Interest upon the Bond Debt, from 1st May 1814 to 1st May 1831, together with the Amount appropriated in the same period, and showing the Balance remaining unappropriated on 1st May 1831; prepared in accordance with the Opinion of the Company's Standing Counsel, as it respects the Home-bond Debt discharged - - - p. 410

(No. 1.)—1814-15.

ABSTRACT STATEMENT of PROFIT and Loss upon Company's Goods sold in the March and September Sales, 1814; together with other Profits resulting to the Company in *England* in the Year ending the 30th April 1815; together with the ultimate Surplus liable to the Appropriation of the Act of the 53 Geo. 3, c. 155, s. 57.

Profit upon Sales - - - - -	£.	2,878,470
Deduct, Estimated Commercial Charges of India, not added to the Invoices - £.180,000		
Insurance, 5 <i>l.</i> 5 <i>s.</i> per cent. on the prime cost of Goods (3,836,401 <i>l.</i>) - 201,411		
The difference between the original Sale and the produce of sundry Merchandize resold in consequence of the default of the purchasers - 62,597		
The difference in the rate at which Bills of Exchange drawn from China were paid, and the rate assumed in the calculation of Profit and Loss - 13,260		
Surplus Commercial Charges General, beyond the rate charged in the calculation of Profit and Loss - 43,471		
		500,739
Add, Charges on Private Goods housed by the Company - 220,668		2,377,731
Interest on the Annuities - 32,604		
		253,272
	TOTAL PROFIT - - - £.	2,631,003
Deduct, One year's Dividend on Stock - 630,000		
Interest on the Bond Debt - 259,546		
		889,546
	£.	1,741,457

Profit on Outward Consignments is not included, the Books from India and China not having been received.

(No. 2.)—1815-16.

ABSTRACT STATEMENT of PROFIT and Loss upon Company's Goods sold in March and September Sales, 1815; together with other Commercial Profits resulting to the Company in *England* in the Year ending the 30th April 1816; together with the ultimate Surplus liable to the Appropriation contained in the Act of the 53 Geo. 3, c. 155, s. 57.

Profit on India Trade - - - - -	£.	471,579
Ditto - China ditto - - - - -		1,245,984
		1,717,563
Deduct, Insurance, 4 per cent. on prime Cost - £. 126,008		
Commercial Charges of India, not added to the Invoices - 180,000		
China Embassy - 51,904		
Difference in the rate at which Bills of Exchange from China were drawn, and the rate assumed in the calculation of Profit and Loss - 22,761		
Surplus Commercial Charges General, beyond the rate charged in the calculation of Profit and Loss - 168,812		
		549,485
Add, Charges on Private Trade, housed by the Company - 206,938		1,168,078
Interest on the Annuities - 32,604		
Interest and Discounts on anticipated Payments - 99,098		
		338,640
	SURPLUS - - - £.	1,506,718
Deduct, One year's Dividend on Stock - 630,000		
Interest on Bonds - 235,967		
		865,967
	ULTIMATE SURPLUS, after providing for Dividends and Interest on Bonds - - £.	640,751

(No. 3.)—1816-17.

ABSTRACT STATEMENT of PROFIT and Loss upon Company's Goods sold in March and September Sales, 1816, and other Profits resulting to the Company in *England* in the Year ending 30th April 1817; together with the ultimate Surplus liable to the Appropriation of the Act of the 53 Geo. 3, c. 155, s. 57.

	£.	£.
Profit on the India Trade - - - - -	89,357	
Ditto - China Trade - - - - -	899,592	
		988,949
Deduct, Insurance, 4 per cent. on Cost - - - - -	110,706	
Difference in the rate at which Bills of Exchange were drawn from China, and the rate assumed in the calculation of Profit and Loss - - - - -	40,466	
Surplus Commercial Charges General, beyond the rate charged in the calculation of Profit and Loss - - - - -	189,901	
China Embassy - - - - -	2,255	
		343,328
		645,621
Add, Charges on Private Goods sold and housed by the Company - - - - -	210,218	
Interest on Annuities - - - - -	36,226	
Interest and Dividends on anticipated Payments - - - - -	44,295	
		290,739
		936,360
Deduct, One year's Dividends - - - - -	630,000	
— Interest on Bonds - - - - -	230,536	
		860,536
		75,824
ULTIMATE SURPLUS - - £.		

The Indian Books and Accounts for the year 1816-17, not being received, no Account can be prepared of the Outward Profit and Loss.

(No. 4.)—1817-18.

ABSTRACT STATEMENT of PROFIT and Loss upon Company's Goods sold from 1st May 1817 to 1st May 1818, and other Profits resulting to the Company in *England* within that period; together with the ultimate Surplus liable to the Appropriation of the Act of the 53 Geo. 3, c. 155, s. 57.

	£.	£.
Profit on the India Trade - - - - -	417,602	
Ditto - China Trade - - - - -	1,279,722	
		1,697,324
Deduct, Insurance, 4 per cent. on Cost - - - - -	131,506	
Difference in the rate at which Bills of Exchange were drawn from China, and the rate assumed in the calculation of Profit and Loss - - - - -	6,263	
Surplus Commercial Charges General, beyond the rate charged in the Account of Profit and Loss - - - - -	75,303	
China Embassy - - - - -	32,349	
		245,421
		1,451,903
Add, Charges on Private Goods, sold and housed with the Company - - - - -	187,022	
Interest on the Annuities - - - - -	36,226	
		223,248
		1,675,151
Deduct, One year's Dividends - - - - -	630,000	
Interest on the Bond Debt and other Loans - - - - -	286,226	
		916,226
		758,925
ULTIMATE SURPLUS - - £.		

(No. 5.)—1818-19.

ABSTRACT STATEMENT of PROFIT and Loss upon Company's Goods sold from 1st May 1818 to the 1st May 1819, and other Profits resulting to the Company in *England* within that period; together with the ultimate Surplus liable to the Appropriations of the Act of the 53 Geo. 3, c. 155, s. 57.

	£.	£.
Profit on the India Trade - - - - -	398,130	
Ditto - - China ditto - - - - -	1,381,193	
		1,779,323
Deduct, Actual Losses by Sea, 1818-19 - - - - -	156,368	
Difference in the rate at which Bills of Exchange were drawn from China, and the rate assumed in the calculation of Profit and Loss - -	17,910	
Surplus Commercial Charges General, beyond the rate charged in the Account of Profit and Loss - - - - -	61,648	
		235,926
		1,543,397
Add, Charges on Private Trade - - - - -	170,766	
Interest on the Annuities - - - - -	36,227	
Interest and Discounts - - - - -	44,536	
		251,529
		1,794,926
One year's Dividends - - - - -	630,000	
Interest on Bonds - - - - -	153,120	
		783,120
		1,011,806
ULTIMATE SURPLUS - - - £.		

(No. 6.)—1819-20.

ABSTRACT STATEMENT of PROFIT and Loss upon Company's Goods sold from 1st May 1819 to 1st May 1820, and other Profits resulting to the Company in *England* within that period; together with the ultimate Surplus liable to the Appropriations of the Act of the 53 Geo. 3, c. 155, s. 57.

	£.	£.
Profit on the India Trade - - - - -	60,635	
Ditto - - China ditto - - - - -	1,074,722	
		1,135,357
Add, Charges on Private Trade - - - - -	116,101	
Interest on the Annuities - - - - -	36,227	
Interest and Discounts - - - - -	2,932	
Interest on the Balance from the Territorial Branch at the close of Season 1818-19: suppose balance 1,770,000 <i>l.</i> (estimated) - - - - -	106,000	
		261,260
		1,396,617
Deduct, Difference in the rate at which Bills of Exchange were drawn from China, and the rate assumed in the calculation of Profit and Loss, Season 1818-19 - - - - -	4,010	
Surplus Commercial Charges General, beyond the rate charged in the Account of Profit and Loss - - - - -	158,173	
China Embassy - - - - -	1,750	
		163,933
		1,232,684
Deduct, Dividends on Stock - - - - -	630,000	
Interest on Bonds - - - - -	157,266	
		787,266
		445,418
SURPLUS remaining - - - £.		

(No. 7.)—1820-21.

AN ACCOUNT of the PROFIT or Loss upon all Goods sold by the East India Company in the Year 1820-21, distinguishing *India* and *China* and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain*, after defraying all Charges.

	Prime Cost of Investment.	Freight.	Charges of Merchandize calculated at 5 per cent. on Sale Amount.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India - - -	1,512,971	149,647	80,563	1,743,181	1,611,260	- - -	131,921
China - - -	1,678,080	471,286	171,473	2,320,839	3,429,458	1,108,619	—
TOTAL - - -	3,191,051	620,933	252,036	4,064,020	5,040,718	1,108,619	131,921

Loss upon India Trade, brought down -	£. 131,921	Profit upon China Trade, brought down	£. 1,108,619
		Deduct, Difference in the rate at which bills were drawn from China, and the rate assumed in the above account of Profit and Loss - - - £. 6,308 China Embassy - - - 638	
			6,946
	£. 131,921		£. 1,101,673

Loss upon the India Trade, as above - - - - -	£. 131,921		£.
Profit - - China - - ditto - - - - -		1,101,673	£.
		NET PROFIT on the Trade - - -	£. 969,752
Deduct,			
Surplus Commercial Charges beyond 5 per cent., charged as above, on Sales -		174,662	
Customs on Deficiencies - - - - -		6,151	
			180,813
			£. 788,939
Add,			
Charges on Private Trade - - - - -		148,686	
Interest on the Annuities - - - - -		36,227	
Interest and Discounts on anticipated payments - - - - -		165,916	
Interest on the Balance from the Territorial Branch at the close of 1819-20 -		141,000	
Profit on Company's own Ships - - - - -		49,198	
			541,027
			£. 1,329,966
Deduct,			
Dividends on Stock - - - - -		630,000	
Interest on Bonds - - - - -		162,938	
			792,938
			£. 537,028
		SURPLUS - - -	£.

(No. 8.)—1821-22.

AN ACCOUNT of the PROFIT and Loss upon all Goods sold by the East India Company in the Year 1821-22, distinguishing *India* and *China*; and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain*, after defraying all Charges.

	Prime Cost of the Investment.	Freight.	Charges of Merchandize, calculated at 5 per cent. on Sale Amount	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India - - -	1,417,043	102,740	75,040	1,594,823	1,500,781	- - -	94,042
China - - -	1,734,586	501,718	186,302	2,422,606	3,726,050	1,303,444	—
TOTAL - - £.	3,151,629	604,458	261,342	4,017,429	5,226,831	1,303,444	94,042

Lost upon the India Trade, brought down - - -	£.	94,042	Profit upon the China Trade, brought down - - -	£.	1,303,444
Add, Losses at Sea - - -	£.	6,100	Deduct, Difference in the rate at which bills were drawn from China, and the rate assumed in the above Account - - -	£.	3,603
			Losses at Sea - - -	£.	17,489
					21,092
	£.	100,142		£.	1,282,352

Loss on the India Trade - - -	£.	100,142		£.	
Profit on the China Trade - - -	£.	1,282,352		£.	
			NET PROFIT on the Trade - - -	£.	1,182,210
Deduct, Surplus Commercial Charges beyond 5 per cent., charged as above, on Sales - - -				£.	130,297
				£.	1,051,913
Add, Charges on Private Trade - - -		177,680		£.	
Interest on the Annuities - - -		36,226		£.	
Interest and discounts on anticipated payments - - -		109,834		£.	
Interest on the Balance due from the Territorial Branch to the Commercial at the close of 1820-21 - - -		145,000		£.	
Profit on the Company's own Ships - - -		21,044		£.	489,784
				£.	1,541,697
Deduct, Dividends on Stock - - -		630,000		£.	
Interest on Bonds - - -		155,161		£.	785,161
			SURPLUS - - -	£.	756,536

(No. 9.)—1822-23.

AN ACCOUNT of the PROFIT and LOSS on all Goods sold by the East India Company in the Year 1822-23, distinguishing *India* and *China*; and specifying the Invoice Price, and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain*, after defraying all Charges

	Prime Cost of Investment.	Freight.	Charges of Merchandize calculated at 5 per cent. on Sale Amount of Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India - - -	1,784,421	156,578	94,964	2,035,963	1,899,279	- - -	136,684
China - - -	1,818,760	543,994	186,111	2,548,865	3,722,230	1,173,365	—
TOTAL - - £.	3,603,181	700,572	281,075	4,584,828	5,621,509	1,173,365	136,684

Loss on the India Trade, brought down	£. 136,684	Profit on the China Trade, brought down - - - - -	£. 1,173,365
		Deduct, Difference in the rate at which Bills from China, drawn in the Season 1821-22, were paid, and the rate of 6 s. 8 d. the tale assumed in the above Account - - £. 3,095 Losses at Sea (Regent) - 123,467 Loss by the Fire at Canton 362,878	
			489,440
	£. 136,684	Profit on the China Trade - - £.	683,925

Loss on the India Trade - - - - -	£. 136,684		£.
Profit on the China Trade - - - - -	683,925		
		NET PROFIT on the Trade - - - £.	547,241
Deduct,			£.
Surplus Commercial Charges beyond 5 per cent. charged as above on Goods -	94,589		
Customs on Deficiencies - - - - -	2,541		
			97,130
Add,			450,111
Charges on Private Trade - - - - -	160,347		
Interest on the Annuities - - - - -	36,227		
Dividends on Stock in the Public Funds, in the Company's name - - -	57,042		
Interest and Discounts on anticipated payments - - - - -	18,771		
Profit on the Company's own Ships, including Insurance - - - - -	28,742		
Interest on the Balance due from the Territorial to the Commercial Branch, at the close of the Season 1821-22 (estimated) - - - - -	148,000		
			449,129
Deduct,			£.
Dividends on Stock - - - - -	630,000		
Interest on Bonds - - - - -	160,844		
			790,844
		ULTIMATE SURPLUS - - - £.	108,396

(No. 10.)—1823-24.

AN ACCOUNT of PROFIT and Loss on all Goods sold by the East India Company, in the Year 1823-24, distinguishing *India* and *China*, and specifying the Invoice Price, and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain*, after defraying all Charges.

	Prime Cost of Investment.	Freight.	Charges of Merchandize calculated at 5 per cent. on Sale Amount of Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - -	1,410,642	213,344	82,452	1,706,438	1,649,047	- -	57,391
China Trade - -	1,856,711	525,277	188,679	2,570,667	3,773,586	1,202,919	—
TOTAL - - £.	3,267,353	738,621	271,131	4,277,105	5,422,633	1,202,919	57,391

Loss upon the India Trade, brought down - - - - -	£. 57,391	Profit on the China Trade, brought down - - - - -	£. 1,202,919
Add, Difference in the rates at which the prime cost of the Indian Trade in the above Account, is converted into sterling, founded upon the average rate of exchange of the Season 1822-23, namely, 1 s. 11 d. per sicca rupee, and the rates fixed by the Board of Commissioners for such conversion, namely, 2 s. the current rupee, 8 s. the pagoda, and 2 s. 3 d. the Bombay rupee - - - - -	303,775	Add, Difference in the rate at which Certificates drawn from China in Season 1822-23, were paid in England, and the rate of 6 s. 8 d., the tale assumed in the above Account being less than the rate of 6 s. 8 d. - - -	713
£.	361,166	£.	1,203,632

Loss on the India Trade - - - - -	£. 361,166		£.
Profit on the China Trade - - - - -	1,203,632		
NET PROFIT on the Trade - - - £.		842,466	
Deduct, Surplus Commercial Charges beyond 5 per cent. charged as above, on Sales - - - - -	£. 84,522		
Customs on Deficiencies - - - - -	11,707		96,229
Add, Charges on Private Trade - - - - -	£. 146,587		746,237
Interest on the Annuities - - - - -	36,227		
Dividends on Stock in the Public Funds in the Company's name - - - - -	56,519		
Interest and Discount on anticipated payments - - - - -	43,811		
Profit to the Company's own Ships, including Insurance - - - - -	46,925		
Interest on the Balance due from the Territorial to the Commercial Branch, at the close of Season 1822-23 (estimated) - - - - -	71,525		401,594
		£.	1,147,831
Deduct, Dividends on Stock - - - - -	£. 630,000		
Interest on Bonds - - - - -	140,140		770,140
ULTIMATE SURPLUS - - - £.		377,691	

(No. 11.)—1824-25.

AN ACCOUNT of PROFIT and LOSS on all Goods sold by the East India Company in the Year 1824-25, distinguishing *India* and *China*, and specifying the Invoice Price, and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain*, after defraying all Charges.

	Prime Cost of Investment.	Freight.	Charges of Merchandize calculated at 5 per cent. on Sale Amount of Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - -	1,233,176	109,085	81,623	1,423,884	1,632,443	208,559	—
China Trade - -	1,956,433	532,681	194,054	2,683,168	3,881,090	1,197,922	—
TOTAL - - £.	3,189,609	641,766	275,677	4,107,052	5,513,533	1,406,481	—

Profit on the India Trade, brought down - - - - -	£. 208,559	Profit on the China Trade, brought down - - - - -	£. 1,197,922
Deduct, Losses at Sea (Fame and Mary) - - - - -	22,389	Add, Difference in the rate at which Bills and Certificates drawn from China in Season 1823-24 were paid, and the rate of 6s. 8d., the tale assumed in the Account of Profit and Loss being less than 6s. 8d. - - -	4, 847
			£. 1,202,769
		Deduct, Losses at Sea (Kent) - - -	5,293
	£. 186,170		£. 1,197,476

Profit on the India Trade, brought down - - - - -	£. 186,170	£.
Ditto - - China Trade, ditto - - - - -	1,197,476	
TOTAL PROFIT on the Trade - - -		1,383,646
Charges on Private Trade - - - - -	152,759	
Interest on the Annuities - - - - -	36,227	
Dividends on Stock standing in the Company's name - - - - -	56,519	
Interest and Discounts on anticipated Payments - - - - -	25,545	
Profit on the Company's own Ships - - - - -	29,024	
Interest on the Balance due from the Territorial to the Commercial Branch, at the close of Season 1823-24, estimated Balance 3,640,000 l. at 3½ per cent. - - -	127,400	
		427,474
Deduct,	£.	1,811,120
Surplus Commercial Charges beyond 5 per cent. charged as above on Sales - - -	121,579	
Customs on Deficiencies - - - - -	1,304	
Difference in the rates at which the Prime Cost of the Indian Trade in the above Account is converted into sterling, formed upon the average rate of exchange of Season 1823-24, viz, 1s. 11d. per sicca rupee; and the rates fixed by the Board of Commissioners for such conversion, viz, 2s. the current rupee, 8s. the pagoda, and 2s. 3d. the Bombay rupee - - - - -	255,007	
Interest on the Loan of 1,500,000 l. borrowed from the Bank at 3½ per cent. per annum - - - - -	52,644	
		430,534
Fund, whereout the Dividends and Interest on Bonds are to be paid - - -		1,380,586
Deduct,		
Dividends on Stock - - - - -	630,000	
Interest on Bonds - - - - -	135,533	
		765,533
ULTIMATE SURPLUS - - - £.		615,053

(No. 12.)—1825-26.

AN ACCOUNT of PROFIT and Loss on all Goods sold by the East India Company in the Year 1825-26, distinguishing *India* and *China*, specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain*, after defraying all Charges, and converting the Prime Cost of the Investment, so far as it consists of Repayment of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books, in transactions between the two Branches of their Affairs, namely, 2s. the Current Rupee, 2s. 3d. the Bombay Rupee, and 8s. the Pagoda.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandize calculated at 5 per cent. on the Sale Amount.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - -	1,541,462	130,845	80,024	1,752,331	1,600,490	- - -	* 151,841
China Trade - -	2,020,651	518,883	192,882	2,732,416	3,857,648	1,125,232	—
TOTAL - - £.	3,562,113	649,728	272,906	4,484,747	5,458,138	1,125,232	151,841

Loss on the India Trade, brought down - £. 151,841

Profit on the China Trade, brought down - - - - - £. 1,125,232

* *Mem.*—Upon converting the Prime Cost of the Indian Investment into sterling money, at rates founded upon the average mercantile rate of exchange of the year 1824-25, namely, 1s. 11½d. per sicca rupee, a difference is apparent amounting to the sum of 252,767l., and the result of the Indian Trade instead of a loss of 151,841l. as above, exhibits a Profit of 100,926l.

Add,
Difference in the rate at which Bills and Certificates drawn from China in Season 1824-25 were paid, and the rate of 6s. 8d., the tale assumed in the above Account being less than 6s. 8d. - - - - - 8,836

Deduct,
Losses, Cost of Teas on board the Royal George, burnt at Whampoa - 39,838

£. 1,094,230

Loss on the India Trade, brought down - - - - - £. 151,841
Profit on the China Trade, ditto - - - - - 1,094,230

NET PROFIT on the Trade - - - 942,389

Add,
Charges on Private Trade, warehoused and sold by the Company - - - 138,452
Customs on Deficiencies, Company's and Private Trade Goods, more received than paid - - - - - 2,775
Interest on the Annuities - - - - - 36,227
Dividends on Stock standing in the Company's name - - - - - 56,519
Interest and Discounts on anticipated payments - - - - - 21,708
Profit on the Company's own Ships - - - - - 41,386
Interest on the Balance due from the Territorial to the Commercial Branch, at the close of Season 1824-25, estimated Balance 3,847,141l. at 3 per cent. - 115,414

1,354,870

Deduct,
Surplus Commercial Charges beyond 5 per cent. charged as above, on Sales - 140,335
Interest on the Loan of 1,500,000l. borrowed from the Bank, at 3½ per cent. per annum, One Year's Interest on 500,000l. - 17,500
Interest on Bonds - - - - - 111,739

269,574

Fund whereout the Dividends on Stock are to be paid - - - - - 1,085,296
Dividends on Stock - - - - - 630,000

ULTIMATE SURPLUS - - - £. 455,296

(No. 13.)—1826–27.

AN ACCOUNT of PROFIT and LOSS on all Goods sold by the East India Company in the Year 1826–27, distinguishing *India* and *China*, and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain* after defraying all Charges, and converting the Prime Cost of the Investment, so far as it consists of Repayment of Advances by the Commercial Department, at the Rate of Exchange used in the Company's Books, in transactions between the two Branches of their Affairs, viz. 2 s. the Current Rupee, 8 s. the Pagoda, and 2 s. 3 d. the Bombay Rupee.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandize, calculated at 5 per cent. on the Sale Amount.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - -	1,889,378	164,965	87,340	2,141,683	1,746,810	- - -	* 394,873
China Trade - -	1,859,804	496,302	175,664	2,531,770	3,513,296	981,526	—
TOTAL - - £.	3,749,182	661,267	263,004	4,673,453	5,260,106	981,526	394,873

Loss on the India Trade, brought down -	£.	394,873	Profit on the China Trade, brought down	£.	981,526
Add Losses :			Add,		
Consignment of Sugar, per Stanmore, burnt		1,928	Difference in the rate at which Bills and Certificates, drawn from China in Season 1825–26, were paid, and the rate of 6s. 8 d., the tale assumed in the above Account being less than 6s. 8 d. - - - -		3,300
	£.	396,801			
* Mem.—Upon converting the Prime Cost of the Indian Investment into sterling money, at rates founded upon the average mercantile rate of exchange of the year 1825–26, viz. 2s. 0½ d. per sicca rupee, a differ- ence is apparent amounting to 230,188 l., reducing the loss upon the Indian Trade to the sum of 164,685 l.					
			Deduct Losses,		984,826
			Teas short delivered, per Marquis of Hastings - - - -		1,180
				£.	983,646

Loss on the India Trade, brought down - - - - -	£.	396,801	£.	
Profit on the China Trade, ditto - - - - -		983,646		
NET PROFIT on the Trade - - - - -	£.			586,845
Add,				
Charges on Private Trade warehoused and sold by the Company - - - -		128,851		
Customs on Deficiencies, Company's and Private Trade Goods, more received than paid - - - - -		864		
Interest on the Annuities - - - - -		36,227		
Dividends on Stock standing in the Company's name - - - - -		56,519		
Interest and Discounts on anticipated payments - - - - -		14,807		
Profit on the Company's own Ships - - - - -		26,921		
Interest on the Balance due from the Territorial to the Commercial Branch at the close of Season 1825–26 (estimated) - - - -	£.	177,547		
Ditto adjustment of Interest, short charged in former years - - - -		32,249		
		209,796		473,985
Deduct,				
Surplus Commercial Charges beyond 5 per cent. charged as above on Sales - -	£.	156,104	£.	1,060,830
Interest on Bonds - - - - -		159,333		
				315,437
Fund whereout the Dividends are to be paid - - - - -				745,393
Dividends on Stock - - - - -				630,000
ULTIMATE SURPLUS - - - - -	£.			115,393

(No. 14.)—1827–28.

AN ACCOUNT of PROFIT and LOSS on all Goods sold by the East India Company in the Year 1827–28, distinguishing *India* and *China*, and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain* after defraying all Charges, and converting the Prime Cost of the Investment, so far as it consists of Repayment of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books, in transactions between the two Branches of their Affairs, viz. 2s. the Current Rupee, 8s. the Pagoda, and 2s. 3d. the Bombay Rupee.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandize, calculated at 5 per cent. on the Sale Amount of the Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - -	1,981,741	133,199	92,435	2,207,375	1,848,721	- - -	* 358,654
China Trade - -	1,747,545	504,505	162,591	2,414,641	3,251,801	837,160	—
TOTAL - £.	3,729,286	637,704	255,026	4,622,016	5,100,522	837,160	358,654

Loss on the India Trade, brought down	£. 358,654
Add, Losses at Sea, Accidents to the <i>Thalia</i> and <i>Robarts</i> , bringing home cargoes of Sugar -	583
£.	359,237

* *Mem.*—Upon converting the Prime Cost of the Indian Investment into sterling money, at the rates founded upon the average mercantile rate of exchange for the year 1826–27, viz. 1s. 11 $\frac{3}{4}$ d. persicca rupee, a difference is apparent, amounting to 296,732 l., reducing the loss upon the India Trade to 61,922 l.

Profit upon the China trade, brought down - - - - -	£. 837,160
Add, Difference in the rate at which bills and Certificates drawn from China in Season 1826–27 were paid, and the rate of 6s. 8d., the tale assumed in the above Account being less than 6s. 8d. - - - - -	69,435
£.	906,595

Loss upon the India Trade - - - - -	£. 359,237
Profit upon the China Trade - - - - -	906,595
NET PROFIT on the Trade - - - - -	£. 547,358

Add, Charges on Private Trade, warehoused and sold by the Company - - -	£. 140,150
Interest on the Annuities - - - - -	36,227
Dividends on Stock standing in the Company's name - - - - -	47,519
Profit on the Company's own Ships - - - - -	56,336
Profit on Teas sold by the Company's Agents in the North American Colonies - - -	28,020
Profit on sale of Stock standing in the Company's name - - - - -	168,462
Interest on the Balance due from the Territorial to the Commercial Branch at the close of Season 1826–27 (estimated) - - - - -	185,481
	662,195

Deduct, Surplus Commercial Charges beyond 5 per cent., charged as above, on Sales - - -	£. 181,908
Interest on Bonds - - - - -	153,441
Interest on other Loans and Accounts Current - - - - -	4,554
	339,903

Fund whereout the Dividends are to be paid - - - - -	869,650
Dividends on Stock - - - - -	630,000
ULTIMATE SURPLUS - - - - -	£. 239,650

(No. 15.)—1828-29.

AN ACCOUNT of PROFIT and Loss on all Goods sold by the East India Company in the Year 1828-29, distinguishing *India* and *China*, and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce in *Great Britain*, after defraying all Charges; and converting the Prime Cost of the Investment, so far as it consists of Repayment of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books, in transactions between the two Branches of their Affairs, viz. 2s. the Current Rupee, 8s. the Pagoda, and 2s. 3d. the Bombay Rupee.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandize, calculated at 5 per cent. on the Sale Amount of the Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - - -	2,188,447	117,441	96,312	2,402,200	1,926,243	- - -	* 475,957
China Trade - - -	1,804,151	508,827	164,536	2,477,514	3,290,748	813,234	—
TOTAL - £.	3,992,598	626,268	260,848	4,879,714	5,216,991	813,234	475,957

Loss upon the India Trade, brought down	£.	475,957	Profit on the China Trade, brought down - - - - -	£.	813,234
Add, Salvage of the Mermaid - - - - -		20	Add, Difference in the rate at which Bills and Certificates drawn from China in Season 1827-28 were paid, and the rate of 6s. 8d. per tale, as assumed in the above Account, being less than 6s. 8d. - - - - -		17,265
	£.	475,977			

* *Mem.*—Upon converting the Prime Cost of the Indian Investment into sterling money, at rates founded upon the average mercantile rate of exchange for the year 1827-28, viz. 1s. 11½d. per sicca rupee, a difference is apparent, amounting to 367,085l., reducing the loss upon the India Trade to 108,872l.

Deduct, Salvage of the Alfred bringing home Teas	£.	830,499		£.	830,238
		261			

Loss upon the India Trade, brought down - - - - -	£.	475,977		£.	
Profit upon the China Trade, ditto - - - - -		830,238			

NET PROFIT on the Trade - - - £. 354,261

Add, Charges on Private Trade, warehoused and sold by the Company - - - - -	£.	122,152		£.	
Customs on Private Trade, &c. (deficiencies) more received than paid in the year - - - - -		1,474			
Interest on the Annuities - - - - -		36,227			
Dividends on Stock standing in the Company's name - - - - -		26,544			
Profit on the Company's own Ships - - - - -		32,647			
Profit on Teas sold by the Company's Agents in the North American Colonies - - - - -		17,743			
Interests and Discounts on anticipated payments (including) an adjustment for former years, in respect to the Interest charged in the Territorial Invoices outward - - - - -		238,753			
Interest on the Balance due from the Territorial to the Commercial Branch, at the close of Season 1827-28 (estimated) - - - - -		197,785			
					673,325

Deduct, Surplus Commercial Charges beyond 5 per cent. charged as above, on Sales - - - - -	£.	176,567		£.	1,027,586
Interest on Bonds - - - - -		158,124			

					334,691
Fund whereout the Dividends are to be paid - - - - -	£.			£.	692,895
Dividends on Stock - - - - -					630,000

ULTIMATE SURPLUS - - - £. 62,895

Mem.—Had the Prime Cost of the India Investment been converted into sterling, at the mercantile rates of exchange, the ultimate Surplus of the year would have amounted to - - - } £. 429,980

(No. 16.)—1829-30.

AN ACCOUNT of PROFIT and Loss on all Goods sold by the East India Company in the Year 1829-30, distinguishing *India and China*, and specifying the Invoice Price, and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce, after defraying all Charges; and converting the Prime Cost of the Investment, so far as it consists of Repayment of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books, in transactions between the two Branches of their Affairs, viz. 2 s. the Current Rupee, 8 s. the Pagoda, and 2 s. 3 d. the Bombay Rupee.—[See *ante*, p. 358.]

AN ACCOUNT of PROFIT and Loss upon all Goods sold by the East India Company in the Year 1829-30, distinguishing *India and China*, and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce, after defraying all Charges; calculating the Prime Cost of the Investment, so far as it consists of Repayment of Advances made by the Commercial Department, at the average Rate of Bills drawn from *Calcutta* on *London*, deducting 12 Months' Interest for Passage and Sight at an Indian Rate of Interest.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandise calculated at 5 per cent. on the Sale Amount of the Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - -	1,171,802	103,050	57,592	1,332,444	1,151,856	- - -	180,588
China Trade - -	1,495,034	477,142	151,874	2,124,050	3,037,483	913,433	—
TOTAL - -	2,666,836	580,192	209,466	3,456,494	4,189,339	913,433	180,588

Loss upon the India Trade, brought down -	£. 180,588	Profit on the China Trade, brought down -	£. 913,433
Profit or Loss upon Exports from England to India {Statements from India, 1829-30 not yet received.}	—	Deduct, Supracargoes' commission on Homeward Trade - - - - -	44,766
Charges in India, not added to Invoices, also Profit or Loss from Interest and Exchange and Loss by Bad Debts - - - -	Ditto - ditto - —	Charges in China, of the previous year, not added to the Invoices - - -	—
Losses at Sea, including Jettisons, Salvages and other Losses - - - -	No Loss as far as information has been received - —	Losses at Sea, including Jettisons, Salvages, &c. (no Loss as far as can be ascertained)	—
Net Loss on the India Trade Outward and Homeward, as far as can be ascertained } £.	180,588	Mem.—Profit or Loss on the Outward Trade to China is comprehended in the rate of the tale.	
		Net Profit on the China trade, as far as can be ascertained - - - - } £.	868,667

Net Profit on the China Trade - - - - -	£. 868,667	£.
Net Loss on the India Trade - - - - -	180,588	
TOTAL PROFIT ON Sales (India and China Trade) - - -	688,079	

Other Profits of the Company:

Interest on the Annuities - - - - -	£. 36,227	
Ditto on Balance of Advances between the Territorial and Commercial Branches, as estimated, end of 1828-29, at rate of Home-bond Debt - - - - -	121,729	
Ditto received, charged or paid under other heads - - - - -	55,749	
Surplus of Sums charged upon Private Trade Goods beyond amount of Commercial Charges General in England, not debited to the Company's own Trade - - - - -	2,561	
Profit on the Company's own Ships - - - - -	24,170	
Estimated Profit at the Colonies of the Cape and North America - - - - -	23,466	
		263,902
Total Commercial Profits of the Company, as far as can be ascertained - - - - -		951,981
Dividends to the Proprietors of Stock - - - - -		630,000
SURPLUS, after payment of Dividends - - -		321,981
Deduct Interest on Bonds provisionally charged to the Commercial Account - - - - -		114,973
		£. 207,008

No. 16 of Appendix No. 26—continued.

SURPLUS COMMERCIAL PROFITS of the EAST INDIA COMPANY, after Payment of the Dividends on the Capital Stock, and the Interest upon the Bond Debt, from the 1st May 1814 to the 1st May 1830; together with the Amount appropriated in the same period, and showing the Balance remaining unappropriated on 1st May 1830; prepared in accordance with the Opinion of the Company's Standing Counsel, as it respects the Home-bond Debt discharged.

						£
Surplus Commercial Profits as adjusted, in 1814-15	-	-	-	-	-	1,267,658
1815-16	-	-	-	-	-	477,643
1816-17	-	-	-	-	-	413,786
1817-18	-	-	-	-	-	1,008,675
1818-19	-	-	-	-	-	1,287,170
1819-20	-	-	-	-	-	243,553
1820-21	-	-	-	-	-	522,855
1821-22	-	-	-	-	-	959,058
1822-23	from 1 May to 1 May in each Year					229,579
1823-24	-	-	-	-	-	329,151
1824-25	-	-	-	-	-	720,097
1825-26	-	-	-	-	-	342,448
1826-27	-	-	-	-	-	132,274
1827-28	-	-	-	-	-	134,447
1828-29	-	-	-	-	-	22,261
1829-30	-	-	-	-	£.	8,090,655
						3,596
					£.	8,094,251

APPROPRIATED AS UNDER, viz.

	Home-bond Debt.	India Debt.	Consignment of Bullion to India, in aid of Sinking Fund.	Sum directed by the Financial Letter to Bengal, of June 1821, to be advanced to the Sinking Fund.	TOTAL.
	£.	£.	£.	£.	£.
1814-15	196,200	329,704	-	-	525,904
1815-16	136,300	318,382	-	-	454,682
1816-17	-	477	-	-	477
1817-18	12	200	-	-	212
1818-19	-	98	1,000,537	-	1,000,635
1819-20	-	-	166,302	-	166,302
1820-21	-	6,285	-	-	6,285
1821-22	-	10,576	-	-	10,576
1822-23	1,100	25,500	-	1,500,000	1,510,576
1823-24	75	1,396,842	-	-	26,600
1824-25	-	-	-	-	1,396,917
1825-26	712	-	-	-	-
1826-27	-	3,950	-	-	712
1827-28	-	82,103	-	-	3,950
1828-29	-	82,065	-	-	82,103
1829-30	-	75,778	-	-	82,065
£.	334,399	2,331,960	1,166,839	1,500,000	5,333,198

Balance of Surplus Commercial Profits remaining unappropriated on 1st May 1830, including the sum of 1,657,807 l., Interest on the Balances due from the Territorial to the Commercial Branch } £. 2,761,053

Balance remaining unappropriated on 1st May 1830, exclusive of Interest, as above £. 1,103,246

No. 16 of Appendix No. 26—*continued*.

STATEMENT of the ADJUSTMENT to be made in the PROFIT and LOSS ACCOUNTS of 1829-30, with reference to the Out-turn of that portion of the India Investment which may be deemed to have been provided under the Arrangement, with regard to Interest Bills, laid down in the Plan of 1814, for keeping the Company's Home Accounts. (Suggestion 5, as altered and amended by the Board) see Section 55 & 56 of the Act of 1813.

[See *ante*, p. 355 to 362.]

(A.)

EXTRACT from the Plan for arranging the Company's Home Accounts, framed in the Year 1814 (relative to the Remittances for Discharge of Bills of Exchange for Interest of India Debt.)

[See *ante*, p. 357.]

(B.)

ABSTRACT ACCOUNT between the TERRITORIAL and COMMERCIAL BRANCHES of the Company's Affairs from 1814-15 to 1828-29, in respect to Territorial and Political Payments in *England*, separately from the Transactions which relate to the Remittance of India Debt.

[See *ante*, p. 359, 360, 361.]

(C.)

STATEMENT to show the Rates at which BILLS of EXCHANGE drawn for Interest of INDIAN DEBT, and on other Accounts comprised in the Remittance Branch of the Accounts between the TERRITORIAL and COMMERCIAL DEPARTMENTS, have been discharged in *England* since 1814, and the Average Rate of those which remained unprovided for by Remittances, otherwise than through the Company's Commerce, at the end of 1827-28 and 1828-29, respectively.

[See *ante*, p. 362.]

(No. 17.)—1880–31.

AN ACCOUNT of PROFIT and Loss on all Goods sold by the East India Company in the Year 1830–31, distinguishing *India* and *China*, and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce after defraying all Charges, and converting the Prime Cost of the Investment, so far as it consists of Repayment of Advances by the Commercial Department, at the Rates of Exchange used in the Company's Books, in transactions between the two Branches of their Affairs, viz. 2s. the Current Rupee, 8s. the Pagoda, and 2s. 3d. the Bombay Rupee.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandize, calculated at 5 per cent. on the Sale Amount of the Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - -	1,945,779	121,521	84,329	2,151,629	1,686,587	- -	465,042
China Trade - -	1,765,598	517,856	161,399	2,444,853	3,227,987	783,134	—
TOTAL - - £.	3,711,377	639,377	245,728	4,596,482	4,914,574	783,134	465,042

Loss upon the India Trade, brought down -	£.	465,042	Profit on the China Trade, brought down -	£.	783,134
Charges in India not added to Invoices, also Profit or Loss from interest and exchange, and loss by bad debts - -	As far as ascertained.	1,980	Deduct, Supracargoes' commission on Homeward Trade - - - - -	-	46,514
Losses at Sea, including Jetti- sons, Salvages, and other Losses - - - - -	No Loss at sea, as far as in- formation has been received.	—	Charges in China of the previous year, not added to Invoices - - - - -	-	—
Deduct, £.	467,022		Losses at Sea, including Jettisons, Salvages, &c. (no Loss, as far as ascertained) -	-	—
Amount of Loss from which the Commercial Department is entitled to be relieved, in respect to investment from India, provided as a remittance to meet bills of exchange drawn for interest of India Debt, under the arrangements contained in the Plan of 1814, for keeping the home accounts - (Per separate Statement.)	-	171,145	Mem.—Profit or Loss on the Outward Trade to China is comprehended in the rate of 6s. 8d. the tale.		
Net Loss on the India Trade, as far as can be ascertained - - - - -	£.	295,877	Net Profit on the China Trade, as far as can be ascertained - - - - -	£.	736,620

Net Profit on Sales of Merchandize, China Trade, after replacing Cost and Charges of the investment, and covering Losses at Sea, &c., brought down - - - - -	£.	736,620
Net Loss - - - ditto - - - India Trade - - - ditto - - - - -	-	295,877

NET PROFIT on Sales (India and China Trade) - - - 440,743

Other Profits of the Company:		
Interest on the Annuities - - - - -	£.	36,227
Ditto on Balance of Advances between the Territorial and Commercial Branches, as estimated, end of 1829–30, at rate of Home-bond Debt, including an adjustment in respect to former years - - - - -	-	190,983
Ditto received, charged or paid under other heads - - - - -	-	35,505
Surplus of sums charged upon Private Trade Goods, beyond amount of Commercial Charges General in England, not debited to the Company's own Trade - - - - -	-	22,302
Profit on the Company's own Ships - - - - -	-	16,793
Estimated Profit at the Colonies of the Cape and North America - - - - -	-	22,126
		323,936
Total Commercial Profits of the Company (as far as can be ascertained) - - - - -	£.	764,679
Dividends to the Proprietors of Stock - - - - -	-	630,000
SURPLUS, after payment of the Dividends - - - - -	£.	134,679
Deduct Interest on Bonds provisionally charged to the Commercial Account - - - - -	-	93,363
ULTIMATE SURPLUS - - - - -	£.	41,316

Mem.—Upon converting the Indian currencies into sterling at the mercantile rate, as ascertained from the rate at which bills were drawn from Calcutta on London, deducting 12 months' interest for passage and sight, an ultimate surplus would remain, after providing for the dividends on stock, and interest on the home-bond debt of £. 595,241.

No. 17 of Appendix No. 26—continued.

AN ACCOUNT of PROFIT and Loss on all Goods sold by the East India Company in the Year 1830-31, distinguishing *India* and *China*, and specifying the Invoice Price and the several Charges respectively; also the Sale Amount; showing likewise the Net Proceeds of the Commerce, after defraying all Charges, and converting the Prime Cost of the Investment at the Mercantile Rate of Exchange, as ascertained from the Rate at which Bills were drawn from *Calcutta* on *London*, deducting 12 Months' Interest for Passage and Sight; viz. 1 s. 9.875 d. per Sicca Rupee.

	Prime Cost of the Investment.	Freight and Demorage.	Charges of Merchandize, calculated at 5 per cent. on the Sale Amount of the Goods.	Total Cost and Charges.	Sale Amount.	PROFIT.	LOSS.
	£.	£.	£.	£.	£.	£.	£.
India Trade - -	1,524,326	121,521	84,329	1,730,176	1,686,587	- -	43,589
China Trade - -	1,477,206	517,856	161,399	2,156,461	3,227,987	1,071,526	—
TOTAL - - £.	3,001,532	639,377	245,728	3,886,637	4,914,574	1,071,526	43,589

Loss upon the India Trade, brought down	£.	43,589	Profit on the China Trade, brought down	£.	1,071,526
Charges in India not added to Invoices, also Profit or Loss from interest and exchange, and Loss by bad debts (as far as can be ascertained) - -	1,980		Deduct, Supracargoes' commission on Home-ward Trade - - - -	46,514	
Losses at Sea, including Jettisons, Salvages and other Losses (no Loss at sea, as far as information has been received) - - - -	—		Charges in China, of the previous year, not added to the Invoices - -	—	
			Losses at Sea, including Jettisons, Salvages, &c. (no Loss, as far as ascertained) - - - -	—	
			Mem.—Profit or Loss on the Outward Trade to China is comprehended in the rate of the tale.		
Net Loss on the India Trade, as far as can be ascertained - - } £.	45,569		Net Profit on the China Trade, as far as can be ascertained - - } £.	1,025,012	

Net Profit on Sales of Merchandize, China Trade, after replacing Cost and Charges of the Investment, and covering Losses by Sea, &c. brought down - -	£.	1,025,012	£.	
Net Loss - - - ditto - - - India Trade - - - ditto - - -		45,569		

NET PROFIT on Sales (India and China Trade) - - - - 979,443

Other Profits of the Company :

Interest on the Annuities - - - - -	£.	36,227	
Ditto on Balance of Advances between the Territorial and Commercial Branches, as estimated, end of 1829-30, at rate of Home-bond Debt, including an adjustment in respect to former years - - - -		190,983	
Ditto received, charged or paid under other heads - - - -		35,505	
Surplus of Sums charged upon Private Trade Goods beyond amount of Commercial Charges General in England, not debited to the Company's own Trade - -		22,302	
Profit on the Company's own Ships - - - - -		16,793	
Estimated Profit at the Colonies of the Cape and North America - - - -		37,351	
			339,161
Total Commercial Profits of the Company (as far as can be ascertained) - £.			1,318,604
Dividends to the Proprietors of Stock - - - - -			630,000
			688,604
SURPLUS, after payment of the Dividends - - - £.			93,363
Deduct, Interest on Bonds provisionally charged to the Commercial Account -			£.
			595,241

No. 17 of Appendix No. 26—continued.

SURPLUS COMMERCIAL PROFITS of the EAST INDIA COMPANY, after Payment of the Dividends on the Capital Stock, and the Interest upon the Bond Debt, from the 1st May 1814 to 1st May 1831; together with the Amount appropriated in the same period, and showing the Balance remaining unappropriated on 1st May 1831; prepared in accordance with the Opinion of the Company's Standing Counsel, as it respects the Home-bond Debt discharged.

						£.
Surplus Commercial Profits as adjusted in 1814-15	-	-	-	-	-	1,267,658
1815-16	-	-	-	-	-	477,643
1816-17	-	-	-	-	-	413,786
1817-18	-	-	-	-	-	1,008,675
1818-19	-	-	-	-	-	1,287,170
1819-20	-	-	-	-	-	243,553
1820-21	-	-	-	-	-	522,855
1821-22	-	-	-	-	-	959,058
1822-23	from 1 May to 1 May in each Year	-	-	-	-	229,579
1823-24	-	-	-	-	-	329,151
1824-25	-	-	-	-	-	720,097
1825-26	-	-	-	-	-	342,448
1826-27	-	-	-	-	-	132,274
1827-28	-	-	-	-	-	134,447
1828-29	-	-	-	-	-	22,261
1829-30	-	-	-	-	-	3,596
1830-31	-	-	-	-	-	41,316
					£.	8,135,567

APPROPRIATED AS UNDER, viz.

	Home-bond Debt.	India Debt.	Consignment of Bullion to India, in aid of Sinking Fund.	Sum directed by the Financial Letter to Bengal, of June 1821, to be advanced to the Sinking Fund.	TOTAL.
	£.	£.	£.	£.	£.
1814-15	196,200	329,704	-	-	525,904
1815-16	136,300	318,382	-	-	454,682
1816-17	-	477	-	-	477
1817-18	12	200	-	-	212
1818-19	-	98	1,000,537	-	1,000,635
1819-20	-	-	166,302	-	166,302
1820-21	-	6,285	-	-	6,285
1821-22	-	10,576	-	-	10,576
1822-23	1,100	25,500	-	1,500,000	1,510,576
1823-24	75	1,396,842	-	-	26,600
1824-25	-	-	-	-	1,396,917
1825-26	712	-	-	-	-
1826-27	-	3,950	-	-	712
1827-28	-	82,103	-	-	3,950
1828-29	-	82,065	-	-	82,103
1829-30	-	75,778	-	-	82,065
1830-31, No appropriation of Surplus Profits have been made in this year	-	-	-	-	75,778
£.	334,399	2,331,960	1,166,839	1,500,000	5,333,198

Balance of Surplus Commercial Profits remaining unappropriated on 1st May 1831, including the sum of £. 1,848,790, Interest on the Balances due from the Territorial to the Commercial Branch

£. 2,802,369

Balance remaining unappropriated on 1st May 1831, exclusive of Interest, as above

£. 953,579

No. 17 of Appendix No. 26—continued.

AMOUNT of Loss from which the Commercial Branch is entitled to be relieved in respect to Investment from India, sold in the Year 1830-31, provided as a Remittance to meet Bills of Exchange for Interest of India Debt, under the Arrangement contained in the Plan of 1814 for keeping the Home Accounts.

Amount of investment supplied on account of Remittance for discharge of Interest Bills :	One half of each of the preceding Sums computed to enter into the Sales of 1830-31.	Average Rate at which all the Issues in India were charged to Commerce in each Year.	Issued to the Commercial Branch in India at the Rates already stated, producing the number of Rupees shown below.
	£.	s. d.	S. Rs.
In 1828-29 (as per former Statement B.) £. 863,214	431,607	a' 2 4.012	36,97,904
1829-30 (continuation of ditto) - - 354,602	177,301	a' 2 3.999	15,19,777

From a continuation of a former Statement (C.) the average rate at which the balance of bills unprovided for, up to 1828-29, had been discharged in England, was 2 s. 3.599 *d.* per sicca rupee, and including 1829-30 was 2 s. 3.129 *d.*

The rates at which interest bills were discharged being thus less than the rates at which the Commerce has been charged in account by the Territory in the two years 1828-29 and 1829-30, the amount to be made good to the Commerce will be the difference by which the out-turn of the goods when sold may fall short of the rates at which their issue was respectively made.

The rate per sicca rupee of the net produce of the Indian investment at the Company's sales in 1830-31, (deducting interest and insurance at the average rate of the Company's losses at sea,) was per sicca rupee 1 s. 8.136 *d.*

Being 7.876 *d.* per sicca rupee short of the rate at which issues for commercial purposes were made in India in 1828-29.

And 7.863 *d.* per sicca rupee short of the rate at which these issues were made in 1829-30.

A short produce of 7.876 <i>d.</i> per sicca rupee is therefore to be made good to the Commercial	£.
Branch on sicca rupees 36,97,904, amounting to -	£. 121,353
And of 7.863 <i>d.</i> per sicca rupee on - 15,19,777, - ditto - -	49,792
	<u>171,145</u>

Continuation of Statement (B.)

ABSTRACT ACCOUNT between the Territorial and Commercial Branches of the Company's Affairs, in respect to Territorial and Political Payments in England, separately from the Transactions which relate to the Remittance of India Debt.

1829-30.

Dr.			Cr.
To Balance applied to Investment on	£.	By Excess of Issues in India above amount paid in England, calculated at the rates of exchange fixed in	£.
account of the Remittance Fund -	354,602	1814 - - - - -	354,602

Continuation of Statement (C.)

STATEMENT to show the Rates at which Bills of Exchange drawn for Interest of India Debt, and on other accounts, comprised in the Remittance Branch of the Accounts between the Territorial and Commercial Departments have been discharged in England, and the Average Rate of those which remain unprovided for by Remittances, otherwise than through the Company's Commerce at the end of 1829-30.

Excess of payments for bills above the remittances realized for meeting the same at the end of 1828-29, brought from former Account - - - - - £. 4,558,173 - - - - - S. Rs. 3,96,37,420

Average rate to end of 1828-29 as before, 2 s. 3.599 *d.*

1829-30 : add,

Excess of payments for bills beyond the amount realized 782,035 a' 2 s. 0.68 *d.* - - - 76,04,878

£. 5,340,208 - - - - - S. Rs. 4,72,42,298

Average rate to the end of 1829-30, 2 s. 3.129 *d.*

Appendix, No. 27.

STATEMENT of the CHARGES of the CIVIL and MILITARY ADMINISTRATION of the Three Presidencies of India, together with those of Prince of Wales Island, Singapore and Malacca, and St. Helena.

GOVERNMENT.	AREA.	POPULATION.	NUMBER OF							REVENUE.	CHARGES exclusive of DEBT.			
			DISTRICTS.	Civil and Unconvenanted SERVANTS, European.	MILITARY.		MARINE.	CIVIL.	MILITARY.		MARINE.	TOTAL.		
					European.	Native.								
Bengal	Square Miles. 306,012	69,710,071	57	579	16,068	96,654	136	13,825,280	£. 4,884,559	£. 4,432,792	£. 128,448	£. 9,445,799		
Prince of Wales	1,317	107,054	-	13	-	-	-	32,897	123,233	18,800	11,165	153,198		
Island, &c.														
Both	307,329	69,817,125	57	592	16,068	96,654	136	13,858,177	5,007,792	4,451,592	139,613	9,598,997		
Madras	141,923 ½	13,508,535	21	261	12,832	57,531	20	5,415,587	2,051,710	3,179,924	22,441	5,254,075		
Bombay	64,938 ¼	6,251,546	10	215	7,728	32,508	European 542 Native 618	2,421,443	1,660,422	1,741,095	199,324	3,600,841		
India	514,190 ¾	89,577,206	88	1,068	36,628	186,693	1,581	21,695,207	* 8,719,924	9,372,611	361,378	18,453,913		
St. Helena	47 ¼	4,766	-	15	800	-	-	-	-	-	-	93,004		
TOTAL	514,238	89,581,972	88	1,083	37,428	186,693	1,581	21,695,207	* 8,719,924	9,372,611	361,378	18,546,917		

GOVERNMENT.	PROPORTION TO EACH PERSON; viz.										PER £. 100		
	COVENANTED and UNCOVENANTED CIVILIAN.					MILITARY.					GROSS REVENUE.		
	Square Miles.	Inhabitants.	Revenue.	Charge, Civil.	Square Miles.	Inhabitants.	Revenue.	Charge, Military.	Civil.	Military.	Civil.	Military.	TOTAL, viz. Civil, Military and Marine.
Bengal -	528	120,397	£. 23,877	£. 8,436	2.7	618	£. 122.6	£. 39.3	£. .07	£. .063	£. .135	£. 32	£. 68
Prince of Wales Island -	101	8,235	2,530	9,479	-	-	-	-	1.151	.175	1.428	57	465
Singapore, &c. -	519	117,934	23,409	8,251	2.7	618	122.6	39.3	.071	.064	.137	32	69
Both -	543	51,756	20,749	7,860	2	192	78.4	45.1	.151	.235	.388	58	97
Madras -	302	29,076	11,262	7,722	1.6	155	60.1	43.2	.26	.278	.576	72	149
Bombay -	481	83,873	20,313	8,164	2.3	401	97.1	41.9	.097	.104	.206	43	85
India -	3	317	-	-	.06	6	-	-	-	-	19.5	-	-
St. Helena -	474	82,716	20,313	8,164	2.3	399	97.1	41.9	.097	.104	.207	43	85
Total Territory -													

East India House,
13 March 1832.

* These sums include Stipends and Pensions chargeable upon the Revenues.

(Errors excepted.)

James C. Melvill,
Audr India Acc^{ts}.

Appendix, No. 28.

COMPARATIVE TABLE showing the CHARGES of the Three PRESIDENCIES in the higher Departments of the EXECUTIVE, LEGISLATIVE and DIPLOMATIC ADMINISTRATIONS.

GOVERNMENTS.	OFFICES.										GROSS REVENUE.	AREA. Population.	GROSS REVENUE.	PER-CENTAGE on Gross Revenue.	
	NUMBER.						CHARGE; Including Expense of Establishment.							Boards and Secretary- ships.	Diplomatic Agencies.
	Members of Council, Governors and Commanders- in-Chief.	BOARDS: (Revenue, Customs, Trade, Marine.)	Number of Members comprising the Boards.	Secretary- ships.	Diplomatic Agencies.	Total Number of Members.	BOARDS.		Diplomatic Agencies.	TOTAL.					
							Council.	Revenue, Customs, Trade and Marine.							
BENGAL -	4	4	7	7	29	47	£. 62,315	£. 101,453	£. 87,785	£. 170,593	£. 422,146	£. 13,825,280	1.821	1.233	
MADRAS -	4	2	7	4	4	19	40,725	30,079	39,462	30,853	141,119	5,415,587	2.036	0.569	
BOMBAY -	4	-	-	3	4	11	38,225	-	27,938	47,715	113,878	2,421,443	2.773	1.97	
TOTAL -	12	6	14	14	37	77	141,265	131,532	155,185	249,161	677,143	21,662,310	1.975	1.15	

(Errors excepted.)

East India House,
13 March 1832. }James C. Melvill,
Audr India Acc^{ts}.

Appendix, No. 28.

Charges of the
Three Presidencies
in the higher De-
partments of the
Executive, Legis-
lative and Diplo-
matic Administra-
tions.

Appendix, No. 29.—AN ACCOUNT of the EXPENSES attending the

	1805-6.	1806-7.	1807-8.	1808-9.	1809-10.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Building - - - - -	11,718 3 6	15,139 12 -	20,867 19 3	13,927 - -	14,565 6 2
Repairs and Alterations - - - - -	654 3 9	216 4 4	1,193 3 5	245 9 -	532 13 4
Taxes and Parochial Rates, Tithes, &c. -	74 5 11	390 6 4	377 2 4	883 4 3	319 7 8
Establishment: Salaries of Professors, and } Wages of Servants - - - - - }	567 10 5	5,629 8 3	8,035 14 1	8,270 15 3	9,596 13 2
Pensions - - - - -	- - -	- - -	- - -	- - -	- - -
Table and Housekeeping Expenses - - -	1,001 5 -	1,467 8 10	4,644 6 -	4,590 16 1	4,672 5 8
Rents and Leases - - - - -	375 - -	250 - -	250 - -	250 - -	250 - -
Furniture and Utensils - - - - -	3,652 4 9	997 14 3	735 11 5	726 17 1	637 18 10
Coals and Candles - - - - -	75 15 -	303 2 4	816 15 8	733 1 3	1,294 4 6
Mathematical and Philosophical Instruments, } Books, Stationery and Prize Medals - }	204 7 6	773 16 -	1,383 12 6	959 6 10	1,121 4 8
Incidental - - - - -	66 12 8	179 2 3	106 17 9	58 - 2	120 11 -
£.	18,389 8 6	25,346 14 7	38,411 2 5	30,644 9 11	33,110 5 -
RECEIPTS:					
Half-yearly Payments from the Students -	1,155 - -	4,200 - -	7,507 10 -	8,242 10 -	9,450 - -
Ditto - Subscriptions to the Library and } Philosophical Apparatus, &c. - }	- - -	- - -	131 5 -	304 10 -	441 - -
Rents and Sale of Produce - - - - -	- - -	- - -	122 - -	129 10 -	84 15 -
Sale of Furniture and Fixtures at Hertford } Castle - - - - - }	486 14 10	200 - -	185 3 -	- - -	- - -
£.	1,641 14 10	4,400 - -	7,945 18 -	8,676 10 -	9,975 15 -
NET EXPENDITURE - - - £.	16 747 13 8	20,946 14 7	30,465 4 5	21,967 19 11	23,134 10 -
Number of Individuals who have received } Instruction at the Establishment at Hailey- } bury in each Year - - - - - }	11	40	72	79	90

Memo.—The above Account comprises the Charge incurred at Hertford Castle during the period the College was held there, previously to the completion of the Building at Haileybury.

An alteration having occurred in the year 1813-14, in the date of closing the Official Books, the Statement under that year comprises only a period of 10 months.

East India House, }
29 February 1832. }

(Errors excepted.)

Establishment called the EAST INDIA COLLEGE, at *Haileybury*, from its Establishment to the 1

1810-11.	1811-12.	1812-13.	1813-14.	1814-15.	1815-16.	1816-17.	1817-18	TAL.
£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	s. d.
11,062 14 11	669 5 11	2,481 10 5	691 2 4	200 - -	479 17 1	255 4 -	77 9 9	2 6
2,448 5 4	1,396 5 10	1,484 13 9	950 17 4	4,019 4 5	2,026 4 3	1,843 19 6	1,404 3 5	8 8
720 6 9	512 3 2	623 12 7	776 17 5	593 12 6	722 8 5	593 11 6	557 9 1	19 4
9,516 12 8	9,636 8 10	9,356 - -	8,770 18 1	8,685 6 6	9,716 8 1	8,915 13 10	9,287 - 9	7 2
- - -	- - -	- - -	- - -	90 8 3	393 15 -	175 - -	275 - 8	14 6
5,119 8 -	5,075 12 8	5,048 17 6	4,997 4 8	4,958 6 5	5,307 14 6	4,524 18 2	3,856 19 0	7 2
250 - -	250 - -	250 - -	250 - -	125 - -	250 - -	250 - -	250 - 2	16 3
1,898 11 9	312 7 9	293 19 -	209 16 2	383 1 7	787 18 6	211 3 11	263 2 0	10 7
1,302 1 -	1,388 7 4	1,380 9 6	1,219 7 4	1,492 3 1	1,517 16 -	1,299 11 8	1,280 17 7	15 5
1,184 13 6	828 6 -	1,118 18 6	1,478 4 4	675 15 1	653 4 5	1,160 1 -	685 12 6	2 11
31 8 -	98 4 10	72 5 3	43 - 6	150 2 4	356 4 2	145 10 7	214 15 0	10 5
33,534 1 11	20,167 2 4	22,110 6 6	19,387 8 2	21,373 - 2	22,211 10 5	19,374 14 2	18,152 9 2	14 11
8,505 - -	8,820 - -	7,822 10 -	7,822 10 -	9,817 10 -	8,190 - -	7,665 - -	6,405 - 27	10 -
- - -	806 12 6	325 10 -	1,167 11 3	1,730 7 5	1,958 7 11	1,233 4 6	1,458 7 95	8 6
122 10 -	65 - -	115 - -	233 12 -	142 17 3	144 18 6	197 10 -	136 - 33	1 -
- - -	- - -	- - -	115 - 3	40 - -	- - -	- - -	- - 26	18 1
8,627 10 -	9,691 12 6	8,263 - -	9,338 13 6	11,730 14 8	10,293 6 5	9,095 14 6	7,999 7 32	17 7
24,906 11 11	10,475 9 10	13,847 6 6	10,048 14 8	9,642 5 6	11,918 4 -	10,278 19 8	10,153 2 39	17 4
81	84	73	73	94	78	73	61	

* The Charge for the Table, &c. in the year 1822-23 comprehends the Expenditure of 11 months only, an al

† Including various Oriental Works purchased, amounting to 4,500l.

THO^s G. LLOYD,
Acc^t Gen^l.

Appendix, No. 30.—AN Number of

	1808-9.	1809-10	1823-24.
	£. s. d.	£. s.	£. s. d.
Purchase of Addiscombe Place - - - - -	- - -	- - -	- - -
Building and Alterations - - - - -	- - -	- - -	2,460 5 9
Repairs to Building - - - - -	- - -	- - -	26 1 3
Furniture and Utensils - - - - -	- - -	- - -	690 7 8
Establishment: Salaries of Masters, Wages of Servants -	63 - -	1,567 15	5,708 9 10
Clothing, Military Stores and Accoutrements, and Repairs to ditto - - - - -	111 - 4	334 6	2,102 14 3
Mathematical Instruments, &c. Books and Stationery -	209 1 -	141 5	1,151 14 6
Taxes and Parochial Rates - - - - -	- - -	- - -	277 13 4
Payments to the Head Master, at fixed Rates, for the Board, Education, &c. of the Cadets previously to the adoption of the system of remunerating him by a fixed Salary - - -	1,718 2 10	4,988 6	- - -
Rent of two Meadows - - - - -	- - -	- - -	- - -
Table and Housekeeping Expenses - - - - -	- - -	- - -	3,416 2 11
Medical Attendance, Allowance for Pocket Money to Cadets, Washing, Mending, &c. - - - - -	212 1 10	297 19	1,058 17 9
Expenses of Cadets on the Trigonometrical Survey and learning the Art of Sapping and Mining - - - - -	- - -	- - -	1,528 6 11
Pensions - - - - -	- - -	- - -	438 3 11
Rewards to Cadets - - - - -	- - -	- - -	- - -
Incidental - - - - -	3 2 -	- 14	230 11 4
£.	2,316 8 -	7,330 8	19,089 9 5
RECEIPTS:			
From Cadets for Board, Clothing, &c. - - - - -	1,650 - -	1,994 14	4,435 17 1
Rent contributed by the Head Master - - - - -	- - -	200 -	- - -
Rent of Cottage - - - - -	- - -	- - -	- - -
£.	1,650 - -	2,194 14	4,435 17 1
NET EXPENDITURE - - - - -	£. 666 8 -	5,135 13	14,653 12 4
Number of Individuals who have received Instruction at the Establishment at Addiscombe in each Year - - - - -	55	67	91

Memo.—An alteration having occurred in the Year 1813-14 in the

East India House, }
29 February 1832. }

INDIVIDUALS who have received Instruction there in each Year.

1824-25.	1825-26.	1826-27.	1827-28.	1828-29.	1829-30.	1830-31.	TOTAL.
£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
- - -	- - -	- - -	- - -	- - -	- - -	- - -	17,251 4 -
1,480 16 11	11,874 11 3	7,529 4 -	3,206 15 3	1,823 13 8	6 10 -	6 - -	65,618 - 4
898 12 9	587 11 9	1,743 6 3	824 5 4	833 13 1	248 17 3	608 1 11	8,346 16 5
332 3 2	1,003 5 6	1,122 4 5	580 7 2	264 8 10	219 2 3	196 13 2	6,579 16 1
7,111 13 7	6,596 15 10	7,919 16 -	8,650 3 10	9,123 10 7	8,978 10 9	9,253 - 9	111,807 16 2
1,951 11 5	941 17 1	3,490 7 1	1,353 12 4	3,259 6 7	1,021 7 8	3,163 16 9	37,541 5 -
881 17 7	1,260 7 5	1,516 10 9	1,175 7 11	1,696 8 5	1,147 18 4	1,004 4 1	18,752 11 8
188 3 9	291 13 3	220 11 2	305 - 2	311 13 4	402 14 10	360 4 2	4,861 16 1
- - -	- - -	- - -	- - -	- - -	- - -	- - -	20,450 8 7
- - -	- - -	- - -	- - -	- - -	208 2 6	92 10 -	300 12 6
3,654 2 -	4,256 10 7	4,961 9 3	5,084 2 8	3,468 15 4	4,335 19 8	4,223 10 9	66,483 16 8
1,065 19 2	1,314 15 6	1,570 2 4	1,680 2 -	1,298 5 9	1,346 17 9	1,417 2 10	22,731 19 6
1,987 15 1	1,904 8 10	3,643 8 4	5,226 - 2	3,862 11 4	3,582 14 2	3,265 18 7	37,136 14 1
377 1 4	333 3 11	333 3 11	333 3 11	408 3 11	611 - -	500 - -	4,784 19 10
- - -	50 - -	350 - -	500 - -	700 - -	- - -	- - -	1,600 - -
229 6 1	245 14 8	311 9 10	482 7 -	339 5 2	314 19 7	335 18 2	3,526 17 -
20,159 2 10	30,660 15 7	34,711 13 4	29,401 7 9	27,389 16 -	22,424 14 9	24,427 1 2	427,774 13 11
5,997 3 4	6,298 10 3	7,885 10 5	6,775 16 3	6,130 18 6	7,846 14 7	8,341 4 -	100,379 11 1
- - -	- - -	- - -	- - -	- - -	- - -	- - -	1,200 - -
- - -	- - -	- - -	5 17 6	6 - -	7 10 -	10 10 -	29 17 6
5,997 3 4	6,298 10 3	7,885 10 5	6,781 13 9	6,136 18 6	7,854 4 7	8,351 14 -	101,609 8 7
14,161 19 6	24,362 5 4	26,826 2 11	22,619 14 -	21,252 17 6	14,570 10 2	16,075 7 2	326,165 5 4
100	106	142	134	120	127	136	
Purchase - - - - - £. 17,251 4 -							
Building and Alterations - - - - - 65,618 - 4							82,869 4 4
TOTAL EXPENSE, exclusive of Buildings, &c. - - - - - £.							243,296 1 -
Deduct Trigonometrical Survey and Sapping and Mining, a limited Number only of the Cadets being instructed therein - - - - - }							37,136 14 1
TOTAL EXPENDITURE upon the Ordinary Education of Cadets - - - - - £.							206,159 6 11

For the number of Cadets who have received Instruction at Addiscombe.

William Abington, Clerk Mil. Sem. Comm.

Appendix, No. 31.

Appendix, No. 31.

Minute of
Sir John Malcolm,
30 Nov. 1830.

EXTRACT from a Minute of Sir *John Malcolm*, dated 30th November 1830, on his Administration of the *Bombay* Government.

FINANCIAL RESULTS.

268. THE actual reduction of expenditure since my arrival, amounts in all, in the Civil and Marine departments, to 11,15,860 rupees, and the prospective reduction to 3,48,946 rupees. From these sums must be deducted an actual increase of rupees 6,59,770, and a prospective one of 12,000 rupees; this would leave a net decrease in the actual charges of rupees 4,56,090, and in the prospective of 3,33,946 rupees, amounting in all to 7,93,036 rupees.

269. Under the head of Extraordinary Charges there is an additional net decrease of 9,10,900 rupees during the course of the three years following November 1827, as compared with the three preceding that date. It may be observed that two of the principal items of increase, the Audit and Mint departments, were adopted at the suggestion of the Finance Committee, and that the decreases of extraordinary charges, although large, would have been considerably larger had not the compensation allowance to civil servants thrown out of employ by the operation of the economical measures, added greatly to the amount of expenditure under this head. This item, together with the expense attending the mission to England, consequent on the proceedings of the Supreme Court, amounts to nearly a lac and a half of rupees, but are of course to be viewed as temporary charges.

270. The actual permanent reduction in military expenses amounts to 40,27,498 rupees, from which must be deducted an increase of 7,67,510 rupees, leaving a net decrease of 32,59,988; of the increase, 6,58,281 rupees is permanent and 1,07,299 rupees is temporary. Of the permanent increase, 4,59,405 was in consequence of orders from home, and the remainder, 3,85,618, is the result of the arrangements of the Bombay government; of this sum 1,07,229 rupees is temporary, and indeed 27,716 rupees have already been discontinued. Of the total decrease, 10,78,757 rupees was by orders from home, 29,48,741 rupees by Government*. For the particulars of these items a reference must be made to accompanying statements, from which it will be observed what sums have actually been reduced and what are in a prospective state of retrenchment. For the above decrease a considerable amount is to be added, the result of reductions and alterations of establishments, ordered in October and November last; but as these are all prospective they are included in the total which has been exhibited.

271. The disbursement for extraordinaries in the Military department during the three years that I have presided over this government, are less than those of the preceding years by 69,06,609 rupees. The largeness of this sum is attributable to field charges in the former years, but still, excluding these, the reduction of expenditure is very great. The net decrease in the several departments is nearly as follows:

Civil department	-	-	-	-	-	Rs. 5,18,765
Military ditto	-	-	-	-	-	32,59,988
Marine ditto	-	-	-	-	-	2,74,271
TOTAL						Rs. 40,53,024
Civil and Marine extraordinaries	-	-	-	-	-	9,10,900
Military	-	-	-	-	-	69,06,609
TOTAL for three years						Rs. 1,18,70,533

272. This short notice of financial results will be fully illustrated by the documents which accompany this Minute. It is therefore only necessary to add that many charges, and those of a very heavy nature, must gradually diminish, if the system of check and control over expenditure which has been established, is fully supported and rigidly exercised. No attempt can be made at present to estimate prospective reductions, but the accounts of next year will show more fully the effect of recent measures in their operation in the departments of commissariat stores, public buildings, and all contingencies and extraordinaries, civil and military.

GENERAL OBSERVATIONS on the Administration of the *Bombay* Presidency.

273. THE Territories of Bombay are not generally productive, and its revenue is not equal to its expenses. This would not be felt as an evil if it were not for the usage, which notwithstanding changes that have amalgamated their territories, still keeps distinct the accounts of receipts and disbursements of Bengal, Madras and Bombay, as in times when independent

* About 12 lacs of this reduction was by instructions from the Supreme Government.

independent kingdoms intervened between these presidencies. I have in the Minute noted in the margin observed upon the injurious effects of this usage; it will I trust be early altered, and India be governed as a whole, otherwise the recent labours of the Governor-general in Council to produce uniformity of system, will prove fruitless, if the rule of comparing receipt and disbursement in the various quarters of our empire continue. Expenses beyond what are calculated will be tolerated in those parts which are richest and which require least force to guard and least trouble to manage them, while every proposition to improve a rugged and unproductive country, or to preserve its peace, will be rigidly tried and checked with reference to the resources of its government, and the rewards and salaries to which public officers are entitled, for their arduous duties, will be judged by the same standard. To illustrate the unfair operation of this rule, as applied to Bombay, it need only be stated that the Indian navy, which protects an extensive and profitable commerce, from which every part of India benefits, besides keeping up the communication with Europe by the Persian Gulf and Red Sea, is wholly charged to this Presidency, and that his Majesty's corps (one regiment of dragoons and four of infantry) consume a great portion of the revenue. These corps may be necessary to maintain and defend India, but they are not required to preserve the local peace of this quarter, although many circumstances may render it expedient that they should be stationed where they are, but this cannot constitute a reason why this Presidency should be debited with a charge for a force which, as it relates to its own territories, it does not require, and which is so disproportionate to its means. It is possible that circumstances may require a still greater proportion of European force in the western parts of India, and an increase of native troops. We have an exposed frontier to defend, and if such additions are made, the complaints of our superiors regarding the excess of expenditure over receipt at this Presidency will be increased. It may appear trifling to dwell upon such a palpable absurdity as such distinctions in the financial part of our rule would appear, but when I observe this cause operating in a manner injurious to the public interests, I must desire to call it to the serious and early attention of the authorities in England.

Appendix, No. 31.

Minute of
Sir John Malcolm,
30 Nov. 1830.

Appendix, No. 32.

LETTER from the Court of Directors to the Governor-general in Council at *Bengal*;
(Finance Department); dated 31st March 1830.

Appendix, No. 32.

Para. 1. HAVING recently had under our consideration the expenses which of late years have been incurred upon Public Buildings in India, we were induced to direct our especial notice to the regulations which are laid down at our several Presidencies for the observance of the departments to which the execution and superintendence of works are entrusted. Our object has been to ascertain whether those regulations are calculated to ensure a correct and economical disbursement of the public money, as well as the completion of works in a durable manner; and it affords us pleasure to be enabled to state, after an attentive examination of them, our conviction of their general fitness to answer these important ends. At the same time, a few points have presented themselves which appear to be susceptible of improvement, and upon such of these as relate to your Presidency we proceed to communicate our sentiments.

Charge for Public
Buildings; Letter
to Bengal Govern-
ment, 31 March
1830.

2. It appears that, in the Civil department under your government, certain repairs are made to the buildings at the different Zillah stations, the execution of which is not committed to the officers regularly appointed to the charge of districts, nor is it, we presume, in any way subjected to their control. The sums expended in these repairs form part of the contingent charge of Judges and Collectors, and it is to be inferred that the outlay takes place solely at their discretion. Under this system, a sum of from 40,000 to 45,000 rupees is annually disbursed for repairs to the several gaols throughout the provinces subject to your government; the individual items of which, it is true, are often but of small amount, though in some instances they reach as high as from 2,000 to 5,000 rupees. We desire that in future all repairs, as well as new works, which involve an outlay of 500 rupees, be entrusted to the regular executive officers of your establishment. Should circumstances in any instance render obedience to this order impracticable, the Judges and Collectors must obtain your consent before they commence the outlay of such an amount, except only when the delay of a previous reference to you would be obviously detrimental to the public interests; and even in these cases we direct that an executive officer certify to the work having been properly performed.

3. You are aware that officers appointed to carry on Public works are required to make affidavit to the correctness of their disbursements. We observe that the affidavit prescribed to be taken under your Presidency, does not go to such an extent as that demanded from officers of the Madras and Bombay establishments; and that when the works have been performed upon estimates regularly sanctioned, a declaration upon honour is by you held to be sufficient. The same is the case when Bengal officers have superintended the execution of works upon contract. We desire that your practice in these matters be assimilated to that which exists at the other Presidencies. We must also remark, that there is an objection to the method of requiring affidavits of this sort to be made *periodically*, and to the *general* correctness of disbursements. We consider that, under such a system, they are likely to degenerate into mere form, and that the plan of annexing an affidavit to the bill for each

Appendix, No. 32.

Charge for Public
Buildings; Letter
to Bengal Govern-
ment, 31 March
1830.

particular work, is the one best calculated to keep the minds of officers alive to the importance of the attestation which they are making : you must therefore observe this plan in future.

4. We are not aware of any further points of which it is necessary for us to take separate notice. The main scope of the regulations relating to the Building departments is the same we observe at each of the Presidencies ; but there are some matters which are more fully explained and provided for at one Presidency than another. We shall therefore direct the other governments to communicate to you the whole of their regulations relating to Public Works, in order that, as far as possible, an uniform system may be adopted throughout India. In effecting this object, you are to understand that the alteration of those matters of regulation wherein our several governments at present differ, is to proceed on this principle ; that in each particular that Presidency is to be regarded as the model for imitation by the rest, where abuse and neglect are most amply provided against, and the dispatch of business most effectually secured.

5. We also desire that you will form into one code the whole of your rules upon this subject, which we have found to be very much scattered, and that you forward to us some printed copies of the same.

6. In the course of the investigations which we have made, it has attracted our notice that no uniform method has existed in India of rewarding executive officers for their superintendence of public works. At Bombay, it appears never to have been usual to grant them more than the staff allowances fixed for the performance of such duties. At Madras, it was long the practice to grant officers a commission on the cost of the work executed, till that government, some years ago, discontinued it as objectionable ; while at your Presidency it has been the custom to make donations to individuals of 10, and occasionally even 15, per cent. upon the amount of their disbursements. We have already, in our communication to you, disapproved not merely the excess to which you have carried this principle, but also the principle itself ; yet we cannot find that it has been relinquished. We give you credit for making such donations only when you are satisfied that the duties committed to officers have been skilfully and economically fulfilled ; but, conceding this, it is not sufficient to remove our objections to such a mode of remuneration.

7. We are not aware that you ever granted a donation to an individual who had been at the same time receiving either the regular salary attached to the charge of a division or district, or a personal salary for performing the particular duties on account of which the donation was presented to him, and we take this opportunity to prescribe it as a rule that in no such case you grant any extra reward without our specific sanction. When an officer, not having drawn allowances of the above description, shall have superintended or executed works in such a manner as to recommend himself to your notice for a donation, we desire that the amount of it may be regulated by more economical principles than you have formerly observed in such cases, and that it be not fixed with any reference to the extent of his disbursements. We would suggest, as a more proper mode of determining what should be the amount of a donation, that after considering the time during which the party has been employed, you shall compare the labour and responsibility which he has undergone with those of officers who draw the regular salary annexed to the charge of districts.

8. We positively desire that in no instance you grant a donation to an officer till after the expiration of three years from the completion of the work, his performance of which has recommended him for such a distinction.

9. Considering the financial difficulties under which India has for some years been labouring, we have been somewhat struck with the amount of expenditure which has taken place upon Public Works of various descriptions. The note below contains an account of the sums which have been laid out upon new buildings under your government during the last four years*, for which your general books are in our possession. Much of this outlay we are aware is to be attributed to the increase of your territory and establishments, having rendered it necessary to construct additional buildings and works of defence ; yet after making due allowance for these considerations, we still think that the disbursement has been larger than it ought to have been had your government been actuated by that determined spirit of economy which circumstances urgently required. It is at least certain that after so much money has long been annually sunk in this way, a very moderate expenditure should suffice for future years.

10. Persuaded, after the experience we have had, that in order to enforce the observance of the necessary economy in this large branch of your expenditure, it is expedient that it should

* NEW BUILDINGS.

	CIVIL.	MILITARY.	TOTAL.
1823-24 - - - -	10,16,303	4,46,605	14,62,908
1824-25 - - - -	12,74,782	6,08,086	18,82,868
1825-26 - - - -	9,98,693	14,65,792	24,64,485
1826-27 - - - -	6,45,510	8,08,680	14,54,190
Total Rupees - -	39,35,288	33,29,163	72,64,451

should be more immediately brought under our own supervision and control. We direct as follows:

11. No new work or building, nor any alteration or repair of any old work or building, the estimated cost of which shall exceed ten thousand rupees (10,000 rupees) shall be commenced in any department till our consent thereto shall have been obtained, excepting only in cases of sudden and unforeseen emergency, where it is absolutely necessary that such new work, alteration or repair should be commenced before our pleasure can be known.

12. In such cases, you will communicate by the very first opportunity the peculiar circumstances of such emergency.

13. We shall hold you responsible for the indispensable necessity of the case which may have obliged you to incur such expenditure without our previous sanction.

14. A similar restriction is to be observed in respect to the purchase of land or buildings.

15. You will report to us every three months, the progress made in the several works, and the prices at which the materials and labour have been furnished in the execution of each separate service.

16. You will transmit every estimate to us by the first opportunity after it has received your sanction, and you will endeavour to have all estimates prepared so far prospectively as to enable us to signify our pleasure upon them before the commencement of the works to which they refer.

17. We direct that in future, you report to us in separate letters in the several departments, all matters relating to Public Works, whether buildings, fortifications, roads, bridges, canals or tanks, as well as all proceedings which refer to the officers and establishments employed in carrying on such works, and the rules which may at any time be laid down for their observance.

We are, &c.

Appendix, No. 32.

Charge for Public Buildings; Letter to Bengal Government, 31 March 1830.

Appendix, No. 33.

LETTER from the Court of Directors to the Governor in Council at *Madras*; (Finance Department); dated 31st March 1830.

Appendix, No. 33.

Para. 1. HAVING recently had under our consideration the expenses which have of late years been incurred upon Public Buildings in India, we were induced to direct our especial notice to the regulations which are laid down at our several Presidencies for the observance of the departments to which the execution and superintendence of works are entrusted. Our object has been to ascertain whether those regulations are calculated to ensure a correct and economical disbursement of the public money, as well as the completion of works in a durable manner; and it affords us pleasure to be enabled to state, after an attentive examination of them, our conviction of their general fitness to answer these important ends. At the same time, a few points have presented themselves which appear to be susceptible of improvement, and upon such of these as relate to your Presidency we proceed to communicate our sentiments.

Charge for Public Buildings; Letter to Madras Government, 31 March 1830.

2. It would appear that in the provinces subordinate to your Presidency, it is the custom to have certain repairs to the civil buildings performed under the superintendence of the judges and collectors, without the intervention of a regular executive officer. The sums disbursed for these repairs are, it is true, generally of trifling amount, but we take this opportunity of observing, that engineer officers, as well from their education and experience as on account of the more regular control which is exercised over their proceedings, are the only persons to whom the superintendence of public works of any kind can safely be entrusted. We accordingly direct that, except when it may be absolutely impracticable, no new works or repairs which involve an outlay of 500 rupees be committed to the execution of any other than officers of that description.

3. You are aware that officers appointed to carry on public works have to make affidavit to the correctness of their disbursements. It is provided at your Presidency, that instead of affixing such affidavit to the bill for each separate work, the officer shall make oath *quarterly* to the effect required. We consider such a system as this to be objectionable, because there is a danger that under its influence the affidavit may be regarded as a mere form, whereas the plan of annexing a declaration to the bill for each particular work seems calculated to keep the minds of officers alive to the importance of the attestations which they are making. You will therefore observe the latter plan in future.

4. We find that useless expense has on some occasions been incurred in India by the selection of sites for new buildings which have been afterwards found so unhealthy as to render it necessary that the stations should be abandoned. The Supreme Government, some years ago, laid down a rule, that no barrack, gaol or hospital should be erected without the concurrence of the superintending surgeon, or senior medical officer on the spot, as to the site and aspect of the building. It is so evidently proper to take every precaution that the sums devoted to public works shall be well applied, and the above precaution, in a country like India, appears to be of such an obvious kind, that we are rather surprised at its having ever been overlooked. We direct that you will invariably attend to it in all cases in which it may be hereafter required.

Appendix, No. 33.

Charge for Public Buildings; Letter to Madras Government, 31 March 1830.

5. In the general view which we have taken of the regulations in force at your Presidency, in respect to public works, it has not failed to attract our notice that works in the Revenue Department are exempted from the system of management and control under which those in the other departments of the service are placed. We cannot discover what advantage is secured by such an arrangement as this. It is undoubtedly proper, in the case of works which are intended to ensure the due irrigation of the soil, and the means of communication between one part of the country and another, that the revenue authorities should be consulted as to what disbursements are in their opinion requisite, but we feel assured that, as concerns the mere execution of works and the expenditure of money, the adoption of one system of check for all departments is calculated to produce the most beneficial results. We therefore desire that in future public works in the Revenue branch be carried on under the control of and in communication with the Military Board, and be subjected in all other respects to the same management as works in the other departments.

6. We are not aware of any further points of which it is necessary for us to take separate notice. The main scope of the regulations relating to the building departments is the same, we observe, at each of the Presidencies, but there are some matters which are more fully explained and provided for at one Presidency than another. We direct therefore that you communicate to the Bengal Government the whole of your regulations relating to public works, and we shall issue orders to the Bombay authorities to make a similar communication, in order that as far as possible an uniform system may be adopted throughout India. In effecting this object we have given the Bengal Government to understand that the alteration of those matters of regulation wherein they at present differ from our other governments is to proceed on this principle, that in each particular that Presidency is to be regarded as the model for imitation by the rest, where abuse and neglect are most amply provided against, and the dispatch of business most effectually secured.

7. In our despatch to you in this department (No. 1, of 1830), we informed you of its having been found impracticable to obtain from your accounts a perfect statement of the sums expended on public buildings under your Presidency. We therefore derive no assistance from a source of that kind in forming an idea of the extent to which you have been guided by principles of economy in this branch of expenditure. We are disposed, however, from a review of your proceedings in the several departments, to give you credit for having shown a disposition to restrict the outlay upon public works within moderate bounds; though still we are not satisfied, considering how severely the financial interests of India have for some years been depressed, that such a disposition might not have beneficially displayed itself in a more decided manner.

Paras. 8 to 14, regulations to be observed, the same as those in Letter to the Bengal Government, paras. 10 to 17.

Appendix, No. 34.

Appendix, No. 34.

Charge for Public Buildings; Letter to Bombay Government, 31 March 1830.

LETTER from the Court of Directors to the Governor in Council at *Bombay*; (Finance Department); dated 31 March 1830.

Para. 1. HAVING recently had under our consideration the expenses which of late years have been incurred upon Public Buildings in India, we were induced to direct our especial notice to the regulations which are laid down at our several Presidencies for the observance of the departments to which the execution and superintendence of works are entrusted. Our object has been to ascertain whether those regulations are calculated to ensure a correct and economical disbursement of the public money, as well as the completion of works in a durable manner; and it affords us pleasure to be enabled to state, after an attentive examination of them, our conviction of their general fitness to answer these important ends. At the same time, a few points have presented themselves which appear to be susceptible of improvement, and upon such of these as relate to your Presidency we proceed to communicate our sentiments.

2. By a General Order, published on the 1st August 1819, you directed that the control of engineer officers over the civil buildings at the subordinates should be confined to the Sudder station of each Zillah, in no case extending to the buildings in the Pergunnahs without your special order. We accordingly find that disbursements are often made for public works carried on under the sole superintendence of collectors or magistrates. We decidedly object to the existence, in any considerable degree, of a practice such as this. We consider that engineer officers, as well from their education and experience, as on account of the more regular control which is exercised over their proceedings, are the only persons to whom the superintendence of public works of any kind may be safely entrusted; and we direct that in future, except when it may be absolutely impracticable, no new works or repairs, which involve an outlay of 500 rupees, be committed to the execution of any other than officers of that description.

3. We have been especially struck with one instance, which your subordinate accounts furnish, of very extensive disbursements, of the kind to which we allude, having been made under the superintendence of a collector and magistrate. It appears that Mr. Lumsden, while collector of Surat, drew from the treasury under his charge sums which, in the course of four* years, amounted to no less than 1,17,688 rupees, for various objects, chiefly for the construction and repair of Wells and Tanks, and for repairs to the Tannas in the Collectorate over

* From 1822 to 1825 inclusive.

over which he presided. We further observe with surprise, that the whole of the above sum remains to the debit of Mr. Lumsden on the books of the Surat collectorate up to the 30th of April 1828; although at that date a period of between six and seven years had elapsed since the first portion of it was drawn, and a period of more than two years since he quitted Surat to take charge of another station. Such a circumstance seems to indicate considerable neglect on the part of the officers of audit at your Presidency, since we cannot doubt that the advances in question were properly applied by Mr. Lumsden. It is our wish that you will furnish us with an explanation upon the subject.

4. Another respect in which the regulations at your Presidency are deficient, is, that they do not require security to be given by executive officers in consideration of the advances of public money which are continually being made to them. Under the Bengal Government, officers in regular charge of districts are required to enter into bonds of 10,000 rupees, and officers temporarily employed in the building department of 5,000 rupees each; and at Madras also executive engineers give security to the Government in various sums, proportioned to the average amount of their disbursements. We desire that you immediately introduce a similar provision into your regulations, and that you call upon all the officers on your establishment, to whom the execution of public works is committed, to furnish security to the extent of at least 10 per cent. upon the average annual amount of the cash advances with which they are supplied.

[Concurrence of medical officer required as to the site of a building, same as para. 4, and regulations to be conformed to those of Bengal, the same as para. 6, of the Letter to the Madras Government.]

7. In the course of the investigations which we have made, we have been much displeased by observing the great neglect which your Government has shown, in not duly reporting to us the sums which have been expended under your Presidency for public works; and we may remark, that yours is the only one of our Governments which has been guilty of such an omission. In all your despatches, but more especially those in the Revenue and Judicial departments, this neglect is evident; and even in your Military letters, disbursements are not advised, unless they happen to be of very large amount. We positively enjoin you to report distinctly to us every future instance of expenditure, whether for new works, purchases or repairs, which shall amount to 1,000 rupees.

8. Considering the financial difficulties under which India has for some years been labouring, and the great degree in which they have been aggravated by the heavy pressure of your annual deficiency, we have been somewhat struck with the amount of the expenditure which has taken place under your Government upon works of various descriptions. The note below* contains a statement of the sums which you have laid out on new buildings alone during the last three years, for which we have received your books of account. Much of this outlay we admit is to be attributed to the increase of your territory and establishments, having rendered it necessary to construct additional buildings and works of defence; yet after making due allowance for these considerations, we still think that the expense has been much greater than it would have been had your Government been actuated by that determined spirit of economy which circumstances urgently required. It is at least certain that after so much money has been annually sunk in this way, a very moderate expenditure should suffice for future years.

[Paras. 9 to 16, Regulations to be observed, the same as those in Letter to Bengal Government, paras. 10 to 17.]

Appendix, No. 35.

Extract LETTER from the Governor-general in Council at *Bengal*, to the Court of Directors (Finance Department); dated 17th May 1831.

Answer to Letter, dated the 31st March 1830; prescribing rules for observance in the construction and repair of public buildings in India.

Para. 6. WE transmitted copies of the paragraphs of this despatch, as specified below†, to the several departments respectively, for information and orders.

7. A copy of paragraphs 1 and 2 was likewise transmitted to the Sudder Board of Revenue, for communication to the several authorities subordinate to them.

* NEW BUILDINGS.

	CIVIL.	MILITARY.	TOTAL.
1825-26 - - - -	5,60,321	6,67,756	12,28,077
1826-27 - - - -	6,63,468	3,80,227	10,43,695
1827-28 - - - -	3,89,062	3,34,540	7,23,602
Total Rupees - -	16,12,851	13,82,523	29,95,374

† Judicial Department paras. 1, 2, 9 to 17. Military ditto, 1 to 17. Political ditto, 9 to 17. General ditto, 9 to 17. Consultations, 7th September 1830.

Appendix, No. 34.

Charge for Public Buildings; Letter to Bombay Government, 31 March 1830.

Appendix, No. 35.

Charge for Public Buildings; Letter from Bengal Government, 17 May 1831.

Appendix, No. 36.

Appendix, No. 36.

EXTRACT from *Fort St. George* Finance Consultations, of 23d September 1831.

Charge for Public
Buildings;
Fort St. George
Consultations,
23 September 1831.

Ordered,—THAT a copy of the Honourable Court's despatch, under date the 31st March 1830 (No. 40 of 1830), be furnished for the information and guidance of the Military Board, and with instructions to issue to the several officers under their control the necessary directions for giving effect to the orders of the Honourable Court.

The subject of works in the Revenue Department, referred to in para. 5 of the Honourable Court's despatch, will be taken into consideration separately.

The Military Board will lay before Government a copy of the whole of the Regulations relating to Public Works, in order that the reference prescribed in the 6th para. of the Honourable Court's despatch may be made to the Bengal Government; and will submit the periodical reports required by the 13th para. of the same despatch.

Ordered,—That a copy of this Resolution, and of the Honourable Court's despatch, dated 31st March 1830, be furnished to the Accountant-general.

Ordered also,—That copy of the foregoing Resolutions and Orders be furnished to the Accountant-general, and an extract thereof to the Military Board, for their information and guidance.

LETTER from the Military Board at *Madras* to the Governor in Council at *Madras*;
dated 8th November 1831.

Sir,

Letter from Madras
Military Board,
8 November 1831.

WE have the honour to acknowledge the receipt of a letter from the Chief Secretary in the Financial Department, bearing date 23d September last, transmitting copy of a despatch from the Honourable Court, dated 31st March 1830, (No. 40 of 1830).

Adverting to the despatch from the Honourable Court, noticed above, it appears that paras. 3, 4 and 6 only require our notice. We have given the necessary orders for each separate bill of executive engineers being supported by an affidavit.

Sites for public buildings have been selected, in communication with local medical authorities, since 1825, under the orders of Government.

A correct copy of the Engineer Regulations was submitted, with our Report, No. 269, dated 26th July last.

We have, &c. &c.

Appendix, No. 37.

Appendix, No. 37.

Extract from a LETTER from the Governor in Council at *Bombay*, to the Court of Directors (Finance Department); dated the 6th November 1830.

Charge for Public
Buildings; Letter
from Bombay Go-
vernment, 6 No-
vember 1830.

Honourable Court's Letter; dated the 31st
March 1830.

Par. 1st. OBSERVE that their attention has been directed to the regulations respecting the construction of public buildings, express conviction of their general fitness to answer the objects in view, but proceed to communicate their sentiments on several points which they consider susceptible of improvement.

2d. Object to the practice of allowing disbursements on account of public works being made by any other than engineer officers, whom for various reasons they consider the only persons to whom the superintendence of public works can safely be intrusted, and direct that no work involving an outlay of rupees 500 be committed to the superintendence of any but officers of that description, except when it may be impracticable to do so.

3d. WITH regard to the subject adverted to in the second paragraph, we beg leave to inform your Honourable Court that the reasons which led to the issue of the Order of the 1st August, to which you allude, are fully laid down in our President's Minutes of the 13th March 1829 and 14th May 1830. It is there clearly shown, that, were the repairs of every description of public buildings thrown solely on the Engineer department, it would require a very great increase of officers and establishment, to be at all efficient for the duty imposed upon it, and a consequent heavy expense would be incurred.

4th. The present establishment of officers belonging to the engineer corps is quite unequal to such extensive personal supervision, as the system which your Honourable Court have directed to be adopted would

require, consequently much must be directly delegated or indirectly left to native artificers and servants, whence, of course, great delay in time, much waste of materials and abuse in expenditure must arise, highly injurious to the public service and detrimental to the reputation of the engineer

engineer corps, and there is reason to apprehend that these causes have led to a much greater expenditure by this Government, under the head of "Public Buildings," than would otherwise have occurred or will happen again.

5th. The paucity of officers of experience to perform and superintend the duties of executive engineers, had unavoidably led to the appointment of young officers to fill that responsible station, who, from their recent arrival in the country, could not be expected to possess experience in, or practical knowledge of, their profession, and whose very deficiency in the colloquial languages of the people, whose operations they were required to direct, want of acquaintance generally with their character, and ignorance of the customs of the country, as well as of the description and cost of the materials required, led frequently not only to unnecessary expense being incurred, but also to the works entrusted to them being of an inferior and unendurable character.

6th. The amount of expense to be incurred for the pay and establishment of an executive engineer at some stations (where attention to the system ordered by your Honourable Court would require one being employed), would itself exceed the whole annual outlay of expenditure in the works they may have to execute.

7th. Experience has proved that under this Presidency the system of carrying on public works by contracts, under proper control, is highly advantageous, but it of course militates so much against the interests of the people on the permanent establishment of the local engineer, that it becomes their interest to throw obstacles in the way of respectable men coming forward as contractors.

8th. It must however be observed that it never was contemplated, where *science* was required, to employ other than officers of the engineer corps.

9th. It is on scientific works alone, such as fortifications, bridges, &c. that their abilities and superior knowledge can be shown, or are indeed required, and in superintending efficiently their construction there is ample employment for the present engineer establishment, supposing (as must be the case to ensure beneficial results) that none but officers of experience are employed executively, and that the juniors are placed under them for instruction, and as assistants, which indeed is very essential.

10th. The plan laid down in the order which your Honourable Court would seem not to approve, of transferring the erection of all civil buildings, not requiring scientific knowledge, to their respective departments, had in view the union of two great desiderata, *efficiency* and *economy*, and the records of this Government, as well as the books of our Accountant-general, will, we hope, afford satisfactory proofs to your Honourable Court, that the measure has been attended with beneficial results, both as regards economy and other objects.

11th. Besides the reasons above stated, it was supposed that the local and personal knowledge of the civil officers would suffice for the execution of the works required where the outlay was trifling, and when otherwise, Government might judge upon the reports to be furnished, to whom it should be entrusted.

12th. Mr. Romer, who to much general knowledge adds great experience in the affairs of this Presidency, remembers when all such works were carried on by the heads of departments, and he is of opinion that they were performed most efficiently and at one-third of the expense subsequently incurred.

3d. Instance a case in which disbursements on account of public works were made by a collector and magistrate to a very considerable amount, viz. rupees 1,17,688; express surprise that the whole of that sum remains on the books of the Surat collectorate to the debit of Mr. Lumsden, the officer to whom they allude, and direct that an explanation of such circumstances be furnished to them.

13th. The necessary explanations will be called for and submitted to your Honourable Court.

4th. Notice the practice which obtains at Bengal and Madras, of requiring security from executive engineer officers in various sums, proportioned to the amount of their disbursements; direct that such provision be made in the regulations at this Presidency, and that all officers entrusted with the execution of public works be called upon to give security of 10 per cent. at least, on the average annual amount of the cash advances made to them.

14th. A proviso of the nature pointed out by your Honourable Court will be introduced into the regulations.

Appendix, No. 37.

Charge for Public Buildings; Letter from Bombay Government, 6 November 1830.

5th. Direct that in future, previous to any new buildings being erected, the opinion of the senior medical officer at the station be obtained as to the salubrity of the situation and aspect of the building.

6th. Direct that the whole of our regulations respecting public works be communicated to Bengal, in order that a uniform system be adopted, as far as possible throughout India, the work of revision being proceeded with on the principle that in each particular that Presidency be regarded as the model for imitation by the others where abuse and neglect are amply provided against, and the dispatch of business most effectually secured.

7th. Notice the great neglect which has arisen in not reporting to them the sums expended on account of public works at this Presidency, and enjoin Government to report to them every future expenditure, whether for new works, purchases or repairs, which shall amount to 1,000 rupees.

8th. View with surprise the amount of expenditure under this Presidency, on account of new works of various descriptions; hand up a statement of the sums laid out on new buildings for the last three years, and observe that a moderate expenditure on that account should suffice for future years.

9th. Proceed to lay down rules in order to secure the observance of the necessary economy in this branch of expenditure.

10th & 12th. No new work or building, nor any alteration or repair of any old work or building, the estimated cost of which shall exceed 10,000 rupees, shall be commenced upon without their sanction, except in cases of sudden and unforeseen emergency, the peculiar circumstances of which must however be reported to them, and observe that they will hold Government responsible for the indispensable necessity of the case in which the rule they have laid down is departed from.

13th. The restriction in respect to building or repairing any new or old work, also applicable to the purchase of land or buildings.

14th. The progress made in constructing works, and the prices at which materials and labour have been furnished, to be reported to them every three months.

15th. Estimates of works to be transmitted to them by the first opportunity after they have been sanctioned by Government, and direct that they be prepared so far prospectively as to enable them to signify their pleasure before the commencement of the works to which they refer.

16th. All matters connected with public works to be reported to them in separate letters in each department.

15th. The orders of your Honourable Court on the subject of this paragraph will in future be strictly attended to.

16th. In compliance with the instructions conveyed in this paragraph, we have communicated to the Supreme Government the regulations in force under this Presidency, relative to public buildings.

17th. We shall be more careful in future in reporting to your Honourable Court the expenditures that may be incurred on public works.

18th. With respect to the observations contained in this paragraph, we can assure your Honourable Court that every means have recently been resorted to to reduce this branch of the public expenditure to the lowest possible scale which the exigencies of the service would admit of.

19th. The orders contained in these paragraphs will be obeyed in all future cases.

20th. The instructions of your Honourable Court, as conveyed in these concluding paragraphs of your despatch, will be attended to in all future cases as they may occur.

Appendix, No. 38.

ANSWERS to QUERIES proposed by the Board of Control, upon Subjects relating to the FINANCES of INDIA.

Appendix, No. 38.

Answers to Queries,
relating to the
Finances of India.

LIST OF QUERIES.

- I.—WHAT are the principal Causes which have affected the Revenues of India since the year 1808-9, either by the improvement or deterioration of Old, or the introduction of New Resources?
- II.—What are the principal Causes which have affected the Amount of Charge in the various Departments of Indian Administration during the same period?
- III.—Whether any Measures can be suggested for rendering the existing Revenues more productive, or for realizing the Revenues with more regularity and promptitude?
- IV.—Whether any Measures can be suggested which would be calculated to reduce, in whole or in part, any Head of Charge falling upon the Indian Revenues, or to introduce more Economy into the Expenditure?
- V.—In what Mode, and upon what Terms, has Money been borrowed in India by the Government since the year 1808-9, and what are the Advantages or Disadvantages of the Course that has been pursued?
- VI.—What Number of Mints existed in India in 1809, and at the present time; what are the general Regulations of the existing Mints, and what has been, and what is now, the Condition of the various Currencies, and of the Import and Export of the precious Metals?
- VII.—What steps have been taken for the separation of the Territorial from the Commercial Accounts of the Company in India and in England; and whether, and what, further Measures are required for that purpose?
- VIII.—Whether any instances of considerable Loss or Waste have come to your knowledge during the period referred to; and is the System of Accounts, whether general, subordinate or personal, such as is best calculated to guard against Loss, to prevent unauthorized Disbursement, and to compel the bringing to account, promptly and accurately, Public Money or Stores received and expended, either by Individuals or by Departments; and whether any suggestions can be offered for improving and simplifying the existing System of Accounts?

Appendix, No. 38.

Answers to Queries,
relating to the
Finances of India.

QUERY I.—What are the principal Causes which have affected the Revenues of India since the year 1808-9, either by the improvement or deterioration of Old, or the introduction of New Resources?

Mr. Hill.

ANSWER.—THE revenues of Madras, with which only I have any acquaintance, have not, within the period in question, varied, either in their items or in their amount, to such a degree as to be deserving of particular notice.

Mr. Langton.

IN 1814, the duties on export and import in India were taken off some articles entirely and on others they were reduced to one-third and one-fourth of what had been previously levied; yet the customs, including town and transit duties, had been rather more productive since, than previous to 1814; this must have been owing to the increase of trade since the alteration, and if the expectation of a further increase of trade, from the measures which may now be looked forward to, should be realized, this branch of the revenue would improve in proportion.

The Land Revenue is said to have been collected with the greatest ease and punctuality in those districts where the cultivation of indigo has been introduced; a similar good effect may be expected to ensue more generally throughout the country, from the free admission of British capital and enterprise to the cultivation of Indian agriculture and commerce.

Mr. Wood.

IT appears, from comparing the Indian receipt and charge of the three Presidencies of the year 1808-9 with the year 1826-27, that the revenues of Bombay have increased from 63,95,303 to 2,29,91,332 rupees, caused principally by territory ceded and conquered since the year 1808-9, which caused a great increase in the receipts in the land revenue and customs. The revenues at Madras have increased from 4,60,38,979 to 4,81,83,715 rupees, and was owing to the same cause. In Bengal, the revenues have been increased from 8,47,55,042 to 12,77,63,375 rupees, partly by acquisitions, but principally by improvement of the land revenue existing in the year 1808-9.

Land Revenue of the Bengal Presidency.—The demand on account of the land-tax in 1808-9, in the Lower Provinces, was 2,84,56,804, and the amount collected 2,67,14,156 rupees, leaving an uncollected balance of 17,42,648 rupees; the demand in 1826-7 on account of the same was 2,99,50,318, the amount collected 2,66,02,508 rupees, leaving an uncollected balance of 33,47,784 rupees. The balance outstanding at the termination of both periods having been since collected, there was a permanent increase of 15,00,000 rupees, caused by a resumption of lands, granted under a life-interest, in the districts permanently settled, and to an increase in the land-tax of Cuttack, and the districts not permanently settled in 1808-9.

In the Western Provinces, which were not permanently settled in 1808-9, the demand was, in 1808-9, 2,81,59,722, and the amount collected 2,49,46,483 rupees, leaving an uncollected balance of 32,13,239 rupees. In the year 1826-27 the demand was increased to 3,78,28,865, and the collections amounted to 3,59,97,382 rupees, leaving a balance of 18,31,474 rupees. During this interval of 20 years the revenue has increased one-third, when during the same period the revenue paid by the Lower Provinces has remained the same; and the difference paid by the cultivator of the land has been realized by the zemindars or proprietors, and probably to a much greater amount than realized by the Government from the Western Provinces, when the capital annually expended in the cultivation of indigo, amounting to a crore or million, is taken into account, for the amount has been laid out in reclaiming waste lands and keeping them in the highest state of cultivation. In addition to the capital vested in indigo, the outlay on account of silk has increased since 1813 from 17,00,000 to 85,00,000 rupees, causing an increase in the cultivation of the mulberry plant in the vicinity of the silk factories. The advances for opium have increased from 8½ lacs to 19½, causing a corresponding increase in the cultivation of the poppy most advantageous, the poppy being raised by gardeners, and employing thousands of individuals in collecting and preparing the drug. The value of this branch of cultivation may be estimated by the rent of the land, which has been raised from 3 and 4 rupees to 18 rupees the beegah, which increase of rent has gone to the zemindar. In consequence of the poppy cultivation being prohibited under the leases granted in perpetuity since 1792, the Government has been enabled to realize a revenue from the land settled in perpetuity in proportion to the limited cultivation of the poppy, by the sale of the drug at a monopoly price; and the zemindar has at the same time derived benefit from the capital annually expended in the cultivation. If indigo had only been cultivated under a monopoly system, similar to the opium, and the Government had realized the difference between the price of its production and the sale price, a revenue exceeding the amount realized from the opium might have been raised from the land settled in perpetuity, for there would have been little difficulty in realizing 100 per cent. from the restricted produce. The landholder has, under the existing system, realized the profit which, if the land rent had not been settled in perpetuity, would have gone to the Government.

Under

Under the head of Salt,

The receipt in 1808-9 was	-	-	-	-	-	Rs. 1,57,00,000
Ditto - 1826-27	-	-	-	-	-	1,87,00,000
Increase	-	-	-	-	-	Rs. 30,00,000

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The average price in 1808-9 was 371 rupees 14 annas the 100 maunds, and in the year 1826-27 the price was 419 rupees 6 annas 9 pice. It appears that the cost to the State was, in 1808-9, 35,25,208 rupees, and in 1826-27, 59,04,697 rupees. I must observe, that the Honourable Court has, on more than one occasion, directed its revenue servants to realize the revenue from the sale of an increased quantity of this necessary of life, rather than an increase of the monopoly price; but it would appear from the particulars of the sales, that the quantity brought to sale has not increased sufficiently to lower the price, or the price has been maintained by not forcing the purchasers at the sales to pay for their lots and clear them. The population has no doubt greatly increased since the year 1808-9, when the quantity brought to sale was 44,00,000, and in 1826-27 the quantity was 46,00,000, and in the three preceding years 50,00,000 maunds. Of the quantity brought to sale in 1808-9, there was a balance at the end of the year of 4,27,000 maunds, and there was a balance at the end of the year 1826-27 of 12,66,200 maunds, which would tend to prove that a less quantity was thrown into the market in 1826-27 than in the year 1808-9 by 6,41,000 maunds. It may be assumed that, the price remaining the same, individuals consume the same quantity every day of the year; and it being paid for by the consumer, the wholesale and retail sellers have no excuse for not paying for their lots and clearing them. Any indulgence shown by the Government enables the purchaser to keep back his lots, and enhance the price to the retailer.

Under the head of Opium,

The Receipt in 1808-9	-	-	-	-	-	Rs. 51,29,126
Ditto 1826-27	-	-	-	-	-	1,47,87,136
Increase	-	-	-	-	-	Rs. 96,58,010

In the year 1808-9, 4,208 chests were brought to sale, and averaged 1,213 rupees the chest; the sale amounting to 51,05,740 rupees, and the cost of the drug to the State 8,62,967 rupees. In 1826-27, 5,500 chests of Patna and Benares opium were brought to sale, and averaged 1,218 rupees the chest; the cost to the State was 19,79,561 rupees, and the sale amount 67,31,195 rupees. The number of Malwa chests sold in Calcutta was 1,500, and averaged 1,418 rupees the chest, yielding 21,28,000 rupees. The number of Malwa chests sold at Bombay was 2,980, averaging 1,469 rupees the chest, which realized 42,79,604 rupees. Had a portion of the capital expended in the cultivation of the opium in Malwa been advanced for the production of the drug from our Western Provinces, equal to their capabilities of production, at the Malwa prices, the zemindars of our own districts would have benefited instead of the zemindars of Malwa, and our revenues would have improved in proportion.

The Revenue has been considerably increased by war or through negotiation. The war with the Goorkhas, commencing in the autumn of 1814, and brought to a termination in the spring of 1816, gave us, in complete dominion, the province of Kumaon, a portion of Garhwal, the valley of Dhera, with the adjoining mountainous pergunnahs of Jounsar and Bawar, and some other inconsiderable and detached portions of the country lying within the skirts of the Himala, and between the rivers Jumna and Sutluj. It placed under our protection, with the obligation of a light tribute, the territories of several Hill Chiefs, occupying the remainder of the mountain tract between Kumaon and the Sutluj*, and possessing an inconsiderable portion of the plain country east of that river. We likewise acquired the undisputed possession and disposal of a long line of forest and pasture land; important, as it enabled us to settle the boundary of our dominions, but little meriting our attention on the score of finance, excepting that a part of it, with a pergunnah, Khyragurh, formerly belonging to Rohilcund, was accepted by the sovereign of Oude in lieu of a crore (10 million) of rupees borrowed from him during the war. The whole of those acquisitions, indeed, can never be financially of much importance, excepting in so far

Mr. Mackenzie.

* Kahloor, or the trans-Sutluj possessions of the Belaspore Rajah, are not, I believe, under our protection; our interference there being barred by treaty with Runjeet Sing. How far Kunawar, or the country belonging to the Bussahar Rajah, which extends to the N. W. of the Sutluj, amidst and beyond the mountains covered with perpetual snow, is in a like predicament, has not, that I am aware of, been formally determined. Nor is the point, perhaps, of much importance, since the people who repulsed the Goorkhas from the very banks of the river, are not likely to stand in need of aid against any other enemy, even if their country, the wildest and most inaccessible probably in the world, could feed one.

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far as they have added (and they have greatly added) to the security of our other possessions, or have enabled us to facilitate commercial communication with Tartary. The negotiations and hostilities with the Mahratta and Rajpoot states, on which Lord Hastings was engaged from the summer of 1817 to the spring of 1819, and the arrangements adopted by him for the settlement of Central India, after it was cleared of the predatory bands who are known under the name of Pindarees, resulted in a large accession of territory and revenue to Bengal and Bombay, and in the addition of considerable tributes to the resources of the former Presidency. In this administration, too, the settlement of Singapore was established, affording, doubtless, a very useful emporium for the trade of India and England, and which, with due economy, ought not to cause any burden upon the finances of either country. To the above I ought, perhaps, to add the purchase from the Nizam of the Peshcush which the Madras government used annually to pay on account of the Northern Sirkars, amounting to about 6,00,000 rupees.

The war in which Lord Amherst's government engaged with the Burmese, also added largely to the extent of our dominions, with comparatively little addition, however, to the Revenue; and a small portion of the charges of that war has been met by a contribution from the enemy of about a crore of rupees, since gradually liquidated.

Though I have not the means of stating the amount collected from the several acquisitions above mentioned so accurately as can easily, I imagine, be done by the officers at the India House, yet it may be useful, in facilitating inquiry, to specify the particular districts thus added to the British dominion.

To Bengal.—By the Goorkha War:

Kumaon,
Dhera Dhoon,
Jounsar and Bawar,
Sabathoo and other villages between the Jumna and Sutluj,
Tributes of Hill Chiefs.

By the Mahratta, and by the Pindaree War, and consequent arrangements:

Saugur and the Nerbuddah territory,
Sumbhulpore and other pergunnahs on the N. W. frontier of Bengal,
Khandah in Bundelcund,
Ajmere and part of Mairwarrah,
Part of Nimar,
Bairsea and Shoojawulpore.

Tributes—Jyepore,
Joudpore,
Oudepore,
Boondee,
Kotah,
Pertabghur,
Rutlana,
Banswarra,
Doongurpore.

By the Burmese War:

Assam,
Arracan,
Ultra Irrawaddy territories.

To Bombay.—By Negotiations and Conquests preparatory to, and consequent upon, the war against the Pindarees and Mahrattas:

Various territories and rights in Goozerat,
Northern Concan,
Southern Concan,
Kandes,
Ahmednuggur,
Poonah,
Dharwar.

To the above I should perhaps add Malacca, Chinsurah, and some other inconsiderable possessions which we acquired by treaty with the Dutch, getting rid of Bencoolen.

2dly. The revenue has been considerably increased by escheats and the lapse of tenures held under temporary grants or leases, free of assessment, or subject only to a light quit-rent.

Under this head I place *Hatrass*, in the district of Alygurh, which was forfeited in 1817 on the rebellion or rebellious resistance of its Talookdar; also pergunnah *Goverdhun*, annexed to the district of Agra on the death of the late Rajah of Bhurtpore, and our consequent interference in the affairs of that state. The former, indeed, who paid a quit-rent, was always properly liable to the ordinary jurisdiction of our courts; and his tenure, like those of several other Talookdars or renters in that part of the country, would, at any rate, have been subject to assessment at his death. The latter was, I believe, held by the Bhurtpore Prince in virtual sovereignty, at least without any interference on the part of our local authorities, but was considered to have been held under a life tenure only. At various times

times during the period in question, villages belonging to petty chiefs among the protected Sikhs who occupy the country to the north and north-west of Dihlee, between the Jumna and the Sutluj, have lapsed to the British Government, in consequence of the demise, without other heirs, of the late possessors. They are under the charge of the political agent at Umbala.

Many tax-free tenures, within our ancient possessions, have also fallen in and been added to the rent-roll; and various farms have expired with a like addition to the revenue; the detail of which can only be ascertained with accuracy by a particular examination of the *Revenue Accounts*. And I may take this opportunity of observing, that the *Financial Statements* hitherto submitted to Parliament do not appear accurately to exhibit the effect of territorial arrangements: separations and annexations of districts occasioning a rise and fall in the collections brought to credit under the heads used by the financial officers, without there being really any corresponding improvement or defalcation in the resources of the provinces specified.

3dly. The improvement of the country, by which I mean extended tillage, enlarged commercial dealings and augmented population, appears to have occasioned an increase of receipt in all branches of the revenue that admitted of increase.

4thly. The increase in the revenues may doubtless be in some degree ascribed to the enactment of better laws, and to more efficient management, as experience has pointed out defects.

5thly. There has been some additions made to the burthens of the people directly, as in the case of new Stamp and Custom Duties, (the latter branch being however chiefly remarkable for the abatements made in favour of English trade,) and indirectly, as through the rise in the price of salt.

6thly. The great increase of the demand for Opium in China has considerably augmented the receipts drawn from that source, notwithstanding a greatly enlarged supply of the produce of Turkey, and the more formidable competition of the now tranquillized country of Malwa.

It does not now occur to me that there has been any deterioration of old, or any introduction of entirely new taxes, during the period in question, sufficiently important to merit notice here; unless the taxes levied in the Madras territories on the profits of trade, and on the professional income of various classes, under the names of Versaluddy and Moturfa, can be reckoned such.

QUERY II.—What are the principal Causes which have affected the Amount of Charge in the various Departments of Indian Administration during the same period?

ANSWER.—THE remittance constantly required from India to England on the Government account is a disbursement for which India receives no return, and may be regarded in the light of a national tribute. To that remittance have to be added the funds required for the use of private individuals, for which, in the same manner, no return is made to India. The total amount of this tribute is so large that the payment of it requires to be facilitated as much as possible, both by fostering the resources of India, and by promoting a demand for her products on the part of other countries. If this great duty be not attended to in both its parts, India may come to be unable to satisfy the exactions of England. Whatever augments the surplus produce of the country will enable it the better to bear the burden we have laid upon it. This should be done, first, by every practicable measure directly tending to its prosperity; secondly, by economy in its public expenditure; and thirdly, by assistance in its foreign trade. It is contrary to the last of these three branches of policy, to favour by our laws the export to India of articles with which she is able to supply herself, or to discourage the export from India of articles with which she is able to supply other countries. We have, in a great measure, succeeded in supplanting her cotton manufactures by those of England. I understand that the practicability of supplying her with salt from Liverpool is under consideration. We exclude East India sugar from the English market by means of high duties. If, in addition to all these disadvantages, any change of system were materially to diminish the tea trade from China to England, by means of which China is enabled to pay for the opium and cotton which she imports from India, it is probable that the demand for those articles would be proportionally reduced, and India would then be disabled from paying its tribute to England.

Mr. Hill.

UNDER this head of inquiry, I venture to remark on two items of charge, which merit particular attention, both from their magnitude and from their being the principal cause of that difficulty to which the 10th and 11th heads of inquiry relate. The first, which extends through every department of government, is the extravagant scale of remuneration to functionaries of every class; the second is, the pay on furlough and retirement, and the retiring pensions and allowances for length of service in all departments: the latter is a rapidly increasing charge, and both appear to be susceptible of being materially reduced.

Mr. Langton.

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Mr. Wood.

ALTHOUGH the Bombay receipts have been considerably augmented, the charges at that Presidency have increased out of proportion to the receipts, for the deficiency in 1808-9 amounted to 1,20,79,630, and in 1826-27 to 1,26,12,987 rupees, and a portion of the charge for interest, amounting to 26,00,000 rupees, was transferred to Bengal, which, if added to the deficit of 1826-27, would amount to 1,52,12,987 rupees. The increase occurs in the Civil to the amount of 88 $\frac{1}{2}$ lacs; and if interest charged in 1808-9 be taken into account, to 117 lacs; and in the Military to 83 lacs. At Madras, although the receipts were augmented, the charge increased out of proportion, for the deficiency, which in 1808-9 amounted to 15 lacs, increased in 1826-27 to 36 lacs; and if a portion of the charge of interest on the debt, transferred to Bengal, be added to the deficiency, amounting to the difference in the charge of interest in the two years, it would increase the deficiency to 67 lacs. The increase in the Civil charge, after allowing for the difference of charge for interest, amounted to about 12 lacs; and the increase in the Military to 45 lacs. The total of the debt bearing interest on the 30th of April 1809 at the three Presidencies, amounted to 24,33,30,220 rupees, and on the 30th of April 1827 to - - - - - Rs. 29,75,38,029
And the charge on account of interest in 1808-9, was - - - - - 1,95,84,320
And in the year 1826-27 - - - - - 1,61,18,290

Rs. 34,66,030

And the difference has been caused by the interest being reduced from 10, 9, 8, and 6 per cent., the rate of interest the debt carried in 1808-9, to 8, 6, 5, and 4 per cent., the rate of interest the debt carried in the year 1826-27. Since the year 1808-9, the interest, which at that period, with a large proportion of the principal, was payable in cash in India, or bills on the Home Treasury at the exchange of 2 s. 6 d. the sicca rupee (the then value of the rupee in English currency), at the option of the holder, has since been made payable in cash only, with exception to a portion of the debt, amounting to 7,72,00,000 rupees; the principal of which is payable in England, at the exchange of 2 s. 6 d. the Calcutta sicca rupee, and the interest at 2 s. 1 d., at the option of the holder. The remainder of the debt is only payable in cash, excepting under the indulgence of the governments, which has recently been withdrawn. The debt between the years 1808-9 and 1813-14 was gradually reduced from carrying an interest at 10 and 8 per cent. to the rate of 6 per cent., by taking advantage of the Government credit and the balances in the Indian treasuries; and in the year 1822-23, the same circumstances admitted of paying a portion of the principal, amounting to about four crore, and reducing the interest from 6 to 5 per cent. on about nine crore of the debt. On the breaking out of the Burmese war, the Government borrowed a portion of its debt at 4 per cent., and subsequently, on money becoming more scarce, raised money at 5 per cent. Since the year 1808-9, many facilities have been afforded the European and Native public of receiving the interest on the debt through the medium of the treasury officers at the three Presidencies, at a trifling charge; and without their aid, from any treasury in the country; and although these facilities have not been made sufficiently known to the native inhabitants, from the orders of the Government not being sufficiently explained, yet the natives throughout the country have become more familiarized with the loan operations; and as their confidence increases, their habits of hoarding may be expected to give way, and their capital to be made available in times of difficulty and offensive warfare to the Government. As every holder of the loan paper must of necessity be attached to the Government to whom he looks for the payment of the loan, and as our rule in the East must be strengthened by having the debt distributed rather amongst the Native than the European creditor, every facility should be given in the payment of the interest, and from the treasuries throughout the country; and, in my humble opinion, as few changes as possible should be effected in the rate of the interest, for every change causes inconvenience to the holder of stock. The Government loans to an individual in the habit of hoarding will be valued more with reference to their permanency than to the rate of interest they carry. The hoarder, if disposed to give himself the trouble of superintending the management of his money, may, by lending to others on security, at all times secure a much higher interest than the loans will yield, and of course than he is ever likely to obtain from any change in the money market, and their habits of hoarding can only be surmounted by making the Government treasuries, through the debt, an available deposit for their savings. Much of the success of the loan operations, during the Burmese war, may be attributed to the treasury officers of the three Presidencies being placed in communication with the native capitalists, and the confidence reposed in the Government. There was great distress amongst the mercantile community, and the Government afforded them aid, which but for the success of its loan operations would have been impossible. By withdrawing from the money market no more than was required for the current disbursements, the rate of interest was kept down to 5 per cent. I have not the means of going into the details of increase and decrease of the receipts and charges of the Presidencies of Fort St. George and Bombay, without a reference to the particulars of the establishments since the year 1808-9; and the labour of such an investigation would occupy months of unceasing attention, which the Committee must be aware would take more of my time than I can conveniently spare, and I hope may be pleased to excuse. With the accounts of the Bengal Presidency I am more familiar, and beg to refer to my own reports, which will afford all the information in my power on the principal heads of receipt and disbursement, by comparing the receipt and charges of the year 1808-9 with the receipt and charges of the year 1826-27, the last report furnished by me previous to quitting India,

The

The increase in the charge of the debt at Bengal in the year 1826-27, from 1,22,27,201 to 1,41,42,153 rupees, its amount in the year 1808-9, was caused by the transfer of the debt from Madras and Bombay, amounting to 2,25,71,675 rupees, and the sums raised since that period having been funded in Bengal. But for these transfers the charge would have been less, and the amount of the debt more. The total of debt on the 30th of April 1809, bearing interest at the three Presidencies, was 24,33,30,220 rupees, which carried an interest of 1,95,84,320 rupees, and the total of the debt on the 30th of April 1827, bearing interest, was 29,75,38,029 rupees, and it only carried an interest of 1,61,18,290 rupees. In the year 1808-9 the debt carried an interest of 8 per cent. with exception to a debt of 86 lacs at 10 per cent., and the Treasury notes at 6 per cent. In the year 1826-27 the debt only carried an interest of 5 per cent., with exception to 7½ crore at 6 per cent., and the Treasury notes at 5 per cent.

There was a surplus in Bengal, in the year 1809, of 1,52,75,280 rupees, and in the year 1826-27 a surplus of only 42,04,208 rupees, leaving a deterioration of 1,10,71,082 rupees. During this interval the Military expenditure has more than doubled, and the Civil, after deducting the charge on account of interest, has increased about one-twentieth. The receipt during the same period, after deducting the tribute from Ava, has increased about half the amount in the year 1808-9.

FOR a detail of the measures that have occasioned the very large increase which has occurred in the charges of the Indian Government, I must necessarily refer to the statements prepared by the officers of audit and account; confining myself to such general remarks as may seem likely to be useful.

I need not advert to establishments actually employed or stipends payable in our new acquisitions, nor to the interest of the public debt, which follows, though happily at a reduced rate, the increase of the principal; in so far at least as that represents money actually borrowed.

The public establishments at the Presidencies must have been expected to become more chargeable (the nature of the agency remaining the same) in proportion as our empire has extended in size, or in the number and wealth of our subjects, and as other establishments controlled by them have been increased, whether with increase of receipt or increase of expenditure. And the business in which Europeans are concerned, and which requires generally more expensive agency than that of natives, has especially augmented since the last Charter Act.

Durbar charges and other expenses incurred by the Governor-General and Governors, and by those immediately attached to them, seem to have increased chiefly in consequence of the progresses which at all the Presidencies it has been thought expedient for the heads of the governments to make in the interior of the country under them. New and more complex political relations have caused the appointment of new agents. The church establishment has been largely added to. There have been various new calls upon the Government for support to charitable institutions, which have much multiplied; the claims of the poor, the sick and the ignorant being in India, as in England, more liberally considered, or being at least more extensively met through the operation of societies than they used to be. The education of the people, still miserably defective, has been better provided for. A liberal allowance has been given to a fund established for the purpose of providing retiring annuities to civil servants: surveys and public works have been undertaken on a larger scale. The number of young civil servants attached to the college has of late years been greater than formerly. The irregular troops charged to the Civil Department (general branch) were largely increased. It may be proper here to observe, that I speak now of what was done before that system of active retrenchment, which the present Governor General has been pursuing with a zeal that cannot be surpassed, had commenced.

The Board doubtless possesses a much fuller detail of the reductions that have been effected, and are contemplated by the several Governments under that system, than I could pretend to give, even were I to confine myself to Bengal, and to the period of my stay in India; and will naturally have caused the necessary statements to be prepared. I shall only therefore remark, that the effect must, I conceive, be an increase in the local surplus to a much greater extent than has yet been anticipated in the evidence taken by the Committees of Parliament, and that it seems to be very desirable to obtain from Bengal, the actual accounts of the present year, and a careful estimate for 1832-33, as soon as possible.

To return to the question, as to the causes which have occasioned increase of charge. There is, I apprehend, in all departments of all governments, when not forced the other way by some special pressure, a constant tendency towards new and additional expenses, which it is exceedingly difficult to check; and the constitution of the Indian Government, and the way in which it conducts its business, are not, I think, such as to apply any very efficient check; nay, depending as it does mainly upon the reports and statements of its executive officers for information of what they do, every effort it makes to control with more knowledge, is itself an occasion of expense. In the Revenue Department, the per-centage which the charges bear to the gross receipts must of course depend greatly on the facility with which the amount required can be collected. A rich government, if tolerably honest, will naturally discontinue taxes costing much to collect. On the other hand, a government pressed for money, to pay its army and civil establishments and debt, must look to the amount of the net revenue, rather than to the proportion which it bears to the gross collection. In such circumstances, 10 out of 12 may be thought better than 9 out of 10, although in the

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first case the charge is 1-6th, and in the latter only 1-10th. And, unfortunately, the Indian Governments have generally, very brief periods of prosperity excepted, been or thought themselves to be in this predicament.

The Land Revenue of the permanently settled districts might certainly be collected for a mere trifle: for less than the per-centage of commission which the collectors themselves received on the excise and other miscellaneous receipts of their respective districts. It has always indeed been collected more cheaply than those miscellaneous items of revenue; and therefore, in proportion as the receipts from those items increased, the per-centage of charge necessarily increased also, until a limit was put to the commission receivable by the collectors, or (as has been done with doubtful policy) a fixed salary was given in lieu of all other allowances. Besides this, I should state that, in proportion as the retail sale of opium has been extended, the Abkarree Department has had to bear a new and comparatively heavy charge in the price of the drug transferred from the Opium Department, which can scarcely be reckoned among the charges of collection. But further, collectors have been required to hold much more elaborate proceedings than formerly in the settlement of the Government demand. They have also been required to do many things that have no necessary connection with the business of collection; they are judges or referees in many private suits; they divide estates and apportion the Government demand among coparceners; they investigate claims to rent for lands and pensions; they inquire into, and in the first instance decide various other cases between Government and individuals. It was hoped, that they might have established such a system of accounts relative to land and its rents, as to redeem and preserve much of the knowledge necessary to the protection of the agriculturists, and with that view and for the preparation and preservation of good records, expensive establishments were entertained. In many districts (at Madras and Bombay in all) collectors are also vested with the charge of the police, and with certain powers for the punishment of criminal offences; and for the purpose of securing the better execution of the above and other duties, the number of collectors and the strength of their establishments were considerably increased, while at the same time the constitution of the superior Boards was modified, their powers enlarged, and their numbers added to, in the hope of enabling them not merely to superintend with more efficiency the collection of the revenue, but also more carefully to investigate and weigh the private interests which their acts affect. In the Delhi territory especially, the establishments have been greatly increased along with the increasing population and revenue, and the gradual introduction of a more regular system of administration. Hence has resulted a great increase in the charges brought to account, under the head of Land Revenue. Under this head also, is charged the expense of works for the improvement of inland navigation, and that of canals, for carrying water to arid countries, and that of embankments, whether designed to protect the country against mischievous floods, or to gather water in ponds or lakes for the purposes of irrigation, and all these items, with others probably of a like nature, which escape me, will be found to have contributed to swell the charges. In the Revenue, as in other Departments, too, a considerable increase of charge will, I imagine, be found to have arisen from the construction of public buildings; the offices of all collectors being now, with few if any exceptions, held in houses built at the Government expense. This cause must especially have swelled the charges of the Calcutta and Bombay Mints, expensive buildings having been erected for the reception of very costly machinery sent out from this country. Most of the other mint charges depend on the extent of coinage, the fixed establishment being restricted to what is thought always necessary to be maintained, and the items of stores expended and waste incurred, like that of temporary labour hired, varying of course with the quantity of metal subjected to mint operations. At Bengal the mint charges must have varied considerably from other causes, for in the period in question several changes in the mint regulations have been made. The Furruckabad mint has been abolished, but a new mint, designed to be temporary, was established at Saugor. The establishment of the Benares mint, since wholly abolished, was increased by the appointment of a separate office of assay, once very strangely combined with that of the mint master. The salary of the mint master at Calcutta was increased, but the office has since been united with that of superintendent of stamps; an arrangement calculated to effect considerable saving. The subordinate establishments have been considerably added to. Of the increase in the Post-office charges, as in the collection, a part is nominal; various establishments entertained by political agents in foreign states, what were formerly brought to account in the Political Department, being now transferred to their proper head. In the Stamps also, though the charges on account of commission and the purchase of paper, which last might strictly perhaps be regarded as an abatement of the tax, have necessarily increased with the increase of receipt. A portion of the exhibited charge, as of the income, may be deemed to be merely nominal; it consists of sums collected from suitors in lieu of the old institution fees, and paid to the native judges (at one time the register of the zillah courts were remunerated in the same way) by whom the cases were decided. Of late years European water-marked paper has been used more extensively; and the number of venders in the interior will be found to have been multiplied not only for the purpose of adding to the revenue, though at the expense of a higher rate of charge, but also from the necessity of bringing stamps within reach of the people in remote and less productive places.

In the Custom Department the principle I have above alluded to as necessarily influencing a poor or spendthrift government, viz. that of seeking an increase of net revenue at the expense of an increased rate of charge, is likely to operate with particular force, and our system of custom law at Bengal is such as could scarcely fail to produce the same effect under any circumstances. In 1810 a general scheme was adopted (under Regulation 9, of that

Mint.

Post-office.

Stamps.

Customs.

that year) of which the main features were these: 1. That inland duties should only be levied on the articles specified in the law. 2. That the duties should be collected and passes granted only at the head offices where there were European collectors. 3. That the subordinate posts, the transit through which infers the obligation of paying duty, should as far as possible be confined to the vicinity of those head stations. 4. That a pass granted at one custom-house should cover the goods specified in it in their transit throughout the provinces. 5. Duties varying from 5 to 10 per cent. (on imports on foreign ships the rates were 10 and 20) were imposed on all goods imported by sea; which having paid that duty had then a free transit in the interior. 6. Goods which had paid the inland transit duty were generally passed free, or with a partial drawback if exported on a British bottom, exports on foreign bottoms being subject (Regulation 3, 1811) to such charges as that the amount of inland or export duty collected and retained, should always be twice the sum taken on similar articles exported on British bottoms. In 1815 and subsequently, extensive abatements of the import customs and enlarged drawbacks from the inland duties, were granted in favour of the trade with the United Kingdom. The first and second of the above stated provisions have been maintained, and (if transit duties be at all levied) may perhaps be deemed unobjectionable, excepting that the second implies the employment of European agency in a manner and to an extent scarcely to be defended; the *third* provision, never properly applicable to the traffic which crosses the extensive champagne countries west of Benares, has every where been more and more departed from, as the necessity of guarding new routes, or routes newly brought under observation, has from time to time been suggested; the *fourth* provision operates of course to extinguish the relation which under a well regulated local consumption duty would be found to exist between the extent of the trade passing through particular tracts and the amount of duties realized by the custom duties established therein. Thus for example, of the customs levied on the salt consumed within the whole of the Conquered and Ceded Provinces and Benares, probably more than 39-40ths will be found to be collected by the Agra and Delhi establishments, and so of other staples; and though in some respects the rule is advantageous to the merchant who has to pass through the limits of many custom-houses, yet its tendency seems to be to enhance considerably the percentage of charge, both because it subjects the local trade of particular tracts to an excessive and therefore often evaded duty, and because the goods though free of duty are still subject to examination and search.

The great enlargement of the trade between England and India, and the alterations which the duties and drawbacks established by the fifth and sixth provisions, have undergone since 1815, must have still more importantly affected the relation of receipt and charge. A very large increase in the establishment of the Calcutta custom-house was quite unavoidable to meet the fair expectations of the mercantile body; the same circumstance rendered it necessary to strengthen the authority of control; and of course the exemptions and abatements granted in favour of the trade with England, without essentially affecting the work to be done, prevented that increase of revenue which would have followed increase of traffic. Drawbacks I need scarcely say, while they reduce the Government receipts, add much to the labour of its officers and increase expense. I should perhaps add, that I think the increase of establishment has been carried rather too far; and especially the employment of Europeans. But I have little or no doubt that frauds prevail now much less than they once did; and that if we could ascertain the sums paid upon smuggled goods when the fair trader wanted the facilities now afforded to him, and when comparatively few checks were imposed, we should find that the proportionate amount levied from the public (if bribes and sums paid to smugglers be reckoned such) exceeded the present rate.

In the salt department the measures taken for the better prevention of smuggling, for the prompt decision of charges of illicit dealing, and for the increased supply of salt from the Bengal and Cuttack agencies, have occasioned an increase of establishment, and consequently expense. In almost all the salt districts too, it has been found necessary to increase the price paid to the manufacturers, either on the ground of a rise in the necessaries of life, or a comparative scarcity or dearness of fuel, or simply on the representation that without smuggling they could not live on their earnings. And the revenue of Bengal has been saddled with a charge of 4,00,000 rupees as compensation to the French. In the Opium Department the necessity of greatly increasing the supply in order to meet the competition of Turkey and Malwa, has similarly operated to enhance the charges; and at one time they were considerably increased by the rewards given to informers and seizures of illicit opium, but this I believe has now been stopped, and generally smuggling both of opium and salt has I conceive been checked. In the judicial establishments a considerable increase must have been expected as a necessary consequence of increasing population, of the subdivision of landed property, yielding in the permanently settled districts a large net income to the persons who have contracted to pay the Government quit-rent, and of the position in which our arrangements have left those persons relatively to other classes connected with the land; and this cause of increased expense, which could only be counteracted by having recourse more largely to native agency, though that has been done extensively, will accordingly be found to have operated through the appointment of new courts and additional judges: gaols and court rooms also have been expensive. I need scarcely advert to the increase of the military establishments, which has of course been long and prominently presented to the attention of the Board, as one of the main causes that have affected our Indian charges. Nor can it be necessary to mention the important item of stores furnished from Europe, which have for some years past been included in the Indian accounts of Revenue and Charge.

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It may not be useless to observe, that among the Civil Charges contained in a printed Statement dated the 17th March 1830, there is a considerable item entered as the "*Pay of Troops as per Treaties*," which I suspect to be erroneously charged, if, as I imagine, it refers to the Scindia contingent, our advances for which are recoverable from that State.

In the above, and in all these remarks, I would be understood to refer chiefly to Bengal. In regard to Madras and Bombay, the Board has other means of acquiring more accurate information than I can hope to offer. In respect also to Penang and to the other subordinate settlements, I could do little more than refer to causes of expense which have been already fully exposed, and no longer, I hope, exist.

QUERY III.—Whether any measures can be suggested for rendering the existing Revenues more productive, or for realizing the Revenues with more regularity and promptitude?

Mr. Hill.

ANSWER.—THE Madras revenues have been realized with surprising regularity, and without any want of promptitude. The best means of preventing them from falling off, is not to tamper with the main sources from which they are drawn: the best means of rendering them more productive is to promote the prosperity of the people.

Mr. Mackenzie.

I HAVE little hope of being able to suggest anything of much use under this head; looking merely to immediate effects. In the Land Revenue we should look to equalization rather than increase. The Custom Revenue might, I think, be unobjectionably raised by imposing new and additional duties on metals imported by sea—copper, spelter, tutenague and tin especially, would yield a very considerable increase. Wines and spirits, and several other articles might also, I conceive, be properly subjected to a higher rate of duty, and the tax should, I think, as far as possible be fixed upon quantity (different descriptions of goods having different rates), and not be left to vary *ad valorem*. Stamps might be extended to the Delhi territory, and to other districts not yet subjected to the law; but I would except always the stamp required for plaints and petitions. A few articles of luxury might possibly be taxed without any serious objection; but the habits of the people are still comparatively simple; and although of tobacco the consumption in Bengal must be immense, and a moderate rise in the price of the article might not be seriously burthensome, yet no scheme that has been suggested for subjecting it to a general tax could, I apprehend, be put in operation without so much risk of annoyance, and exaction and fraud, as to dissuade from the attempt. The Mint receipts might probably be increased and the charges lessened by having one currency for all India; and by supplying copper or spelter money to take the place of the shells used in petty dealings. In the Salt and Opium Departments I confess I greatly doubt the expediency of any considerable change of system; but the supply of salt should, I think, be increased, even though there will probably be a temporary loss of income. In regard to opium, we have no choice but that of extending the supply according to the demand of the market and the competition we have to meet. In the Post-Office we should push for speed, and be moderate in our rates; the privilege of franking should cease, or be confined to a few. Looking forward to no very distant time in the history of a nation, we might, I think, increase the wealth of the country or secure a better distribution of it, and consequently raise more revenue, if wanted, by all or some of the following measures: By a settlement of the amount to be paid by the owners of land for a long term of years, the assessment being so adjusted as to leave them a valuable property in the surplus rent beyond the Government demand; and with a survey and record such as to remove all doubt in regard to the subject-matter of the settlement; by encouraging the settlement of Europeans and the children of Europeans, and the application of their energy, skill and capital to agriculture; by educating the Natives to European knowledge and habits; by admitting Natives to a larger share in the advantages of office; by constant, but gradually urged efforts to give a more popular character to the administration of the country; by a liberal but economical and strictly watched expenditure, in facilitating internal intercourse; by removing all artificial impediments to the extension of trade in India, or between England and India; by abolishing the usury laws in India; and providing generally a good system of mercantile law, and courts to administer it promptly and cheaply.

Mr. Langton.

A REDUCTION of high duties is generally found to increase revenue by favouring the increase of consumption, both of the article on which the duty is reduced and of other taxable commodities. The Indian import and export duties are low, but the town and transit duties are both high and unequal in their operation; the total abolition of all such would tend greatly to increase consumption, and a moderate increase of the import and export duties to compensate the falling off in the revenue from the abolition, on the present scale of consumption, would eventually produce a great increase in the revenue.

On various grounds this measure is to be recommended:

1st. From the numerous officers employed in the collection, the productiveness to the revenue of these duties bears a smaller proportion to their drain on the means of consumption than higher direct duties at the place of importation would do.

2dly. More than the legal duties are frequently exacted, with little danger of detection to the officer, as it is known that from distant stations few complain or seek for redress. Of this

this excess of charge, it is obvious that nothing will go into the public coffers, and nothing but the entire cessation of these duties can secure the small trader from such unjust exactions.

3dly. Further impediments to consumption, without benefit to the revenue, are, the vexatious delays incidental to the system, and the injury done to merchandize from the repeated opening and examining packages, which is often done to obtain fees and gratuities.

As connected with the latter part of this Query, the long retention of monies collected, in the hands of the collectors, may be noticed. A similar abuse has been corrected at home, with great acknowledged advantage. In India the abuse has been carried to a much greater extent than it ever was in this country, and must have been prejudicial, not only to the State, but also to individuals. The State has incurred a loss in interest on the amount thus kept back, and for the whole period beyond which the collected revenues might have been transmitted to the treasury; and the monies so retained have been employed occasionally in mercantile pursuits, exposing the private trader, in a country where interest is so heavy, to a ruinous competition against funds burthened with no interest.

Defalcations also have resulted from the practice, probably in more cases than have become known, and * disgraceful advantages are said to have been drawn from the retention of such collections, of which it might be dangerous to speak more particularly, as the cases are perhaps not susceptible of proof, and the reports may be calumnious; but the existence of such reports, true or false, is a strong ground for altering the practice and for withdrawing the temptation and the opportunity.

I AM asked if any measures can be suggested for rendering the existing revenues more productive.

Mr. Wood.

The revenues of the Western Provinces and Ceded Districts may be expected to improve as the population increases, and the land becomes more cultivated. Nothing will more contribute towards their improvement than long leases, and encouragement to the cultivators of indigo, sugar, opium, and other articles of export calculated to yield a return for capital vested in their production, and to remunerate the landholder for bringing waste land under the plough, and improving the system of cultivation of the land already broken up. It must take time, and improvement must be allowed to go forward, before the Government raises its rent; and more permanent gain will be realized by waiting the result of improvement under leases of 10 years' duration, than by anticipating the gains likely to accrue from prolonged leases, and driving a hard bargain with the present occupiers of the land on the condition of allowing their existing leases to be extended for a period of 10 years. Great judgment should be used in making the settlement of the Land Revenue, and the most experienced servants should be employed; and they should not be praised so much for enhancing the rent (as I fear may have been too often the case) as for making a fair and reasonable settlement of the Government claim, which will admit of the landholder realizing the rent without resorting to the sale of his cattle and property. In the districts not permanently settled, the increase of the revenue should be sought from the land rent, and not from any custom duty laid on the produce.

In the Lower Provinces, which have been settled in perpetuity since the year 1792, when they were in a very uncultivated state, the Government can only raise an additional revenue, by continuing the monopoly of opium, salt and saltpetre, which the landed proprietors are not entitled to produce under the terms of their leases; and by levying a duty on the produce of the districts when passing beyond the limits of the land settled in perpetuity, into the districts not enjoying a like advantage, and on the exports by sea. There can be no equitable reason why the zemindar, who pays no rent for his land, should be allowed to export the produce of it into districts where the State exacts a heavy land rent. If the State levies a duty on grain, indigo and sugar, the produce of the Bengal districts, when passing into the Western Provinces or seaward, it will not probably change the circumstances of the cultivator or labourer of the districts where the State exacts no land rent. He is now obliged to pay the zemindar the surplus produce, over and above what is retained for the expenses of cultivation, and this will be continued to be received whether the duty is levied or not. If a duty is levied, it will enhance the price of the produce, and this will operate as a premium to encourage the cultivation of the Western Provinces and Ceded Districts. In addition to levying a custom duty on the exports of the districts permanently settled, a gradual increase of the stamp duties may be made to tax the landholder of the Lower Provinces; but any change of this nature must be gradual, so as not to excite alarm and opposition.

The Government of India is prohibited from levying a duty on the principal articles of export to Great Britain, and on this portion of the produce of the Bengal provinces, under the existing system, established for the benefit of Great Britain, the Government has no means of taxing, and it may be admitted, that India is made to pay a tribute to England annually to the amount of its duties levied on the imports from India, which do not probably amount to less than 700,000 *l*. If the prohibition were withdrawn, the Government in India would have the power of raising a revenue equal to the amount levied in England.

If

* Usurious interest; trafficking with and paying in an inferior currency to that in which the taxes were collected.

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If the duty on the sugar were lowered, it is probable that the consumer in Europe could afford to take an increased quantity at a lower price; and it is probable that an increase in the price in India would operate as a premium to the cultivation of more sugar, which would tend to improve the revenues of the Western Provinces, and enable the Government eventually to realize a revenue in proportion to the means of the landholder to pay the same. At the present prices there can be no great increase in the production of sugar, for the native landholder will only cultivate his land with the article capable of yielding him the highest price for his labour, and if grain will produce more than the sugar-cane, he will give it the preference.

The inhabitants of Madras and Bombay are not subject to the same salt tax as the inhabitants of Bengal; and it may be worth considering whether they may not be made to pay a duty on salt, either by establishing a salt monopoly at those Presidencies, on the plan of the Bengal system, or by levying a duty on the salt when in transport from the coast into the interior of the country.

The revenues of Bengal have been fixed since 1792; and the only way of raising an increase is by retaining a monopoly of articles prohibited under the terms of the leases, such as opium, salt, and saltpetre, and subjecting the produce of the country to a custom duty. England, to serve its own purposes, and to exact a tribute from India, has prohibited the Indian government from levying a duty upon the principal articles of export, and taxes India to the amount of the duty levied in England, amounting to about 700,000 *l.* If it were not for the prohibition, the exports to England might be taxed through the customs to the extent of the Indian deficit in times of war, without oppressing the country; for it must be kept in mind that the Government has foregone its right to raise the land-tax, since 1792, of the country producing the principal articles of export. With reference to the prohibition, and the Indian government being prevented raising an increase of revenue, it may be considered how far it may be prudent to relieve the Indian revenues of the whole, or a part, of the burden now imposed on them in England. If, in consideration of the duty levied on Indian imports, the expenditure in England, now charged to the Indian revenue, were foregone, it is probable that more economy would be observed, should the government pass from the hands of the Honourable Company to the Crown, for the public would naturally be more watchful when it had to pay the home expenses than if they were, as at present, to remain burdened on India.

QUERY IV.—Whether any Measures can be suggested which would be calculated to reduce, in whole or in part, any Head of Charge falling upon the Indian Revenues, or to introduce more Economy into the Expenditure?

Mr. Hill.

ANSWER.—IN answer to former letters which you have addressed to me, and in papers therein referred to, I have expressed my opinion that material reductions are practicable in the judicial and military charges upon the Indian revenues, and that a system of much greater economy in the public expenditure is essentially necessary.

Mr. Mackenzie.

UNDER this head I would beg leave to refer to the various measures actually in progress at the several Presidencies, and to the Reports of the Civil Finance Committee, which sat in 1829-30 at Calcutta. It will thence be seen, that charges to a great amount have been, and may be reduced; the detail would swell this paper very needlessly, but it may be right to state some leading points. The salaries of officers to be regulated by the work to be done, without reference to the individuals or classes employed, further than is necessary with the view of having good work, including in the term as respects civil government, the maintenance and security of the sovereignty of England; the consequent employment of native agency more and more extensively with liberal, though (comparatively to Europeans) moderate allowances; the restriction of high paid European functionaries (I include all judges, magistrates, and collectors of districts,) to matters necessarily requiring their interference; the full recognition of the absurdity of attempting to administer the affairs of a million of civilized men through the direct agency of one or two individuals, and those foreigners; and the practical application of the principle, that we cannot really have a civil government excepting through the co-operation of the people; the gradual exclusion of servants temporarily deputed from Europe, from all functions not necessarily confined to them, with a view of maintaining the sovereignty of England; the more general employment of individuals, in place of the agency of collective bodies; the immediate exemption of the local governments, especially the Supreme Government, from responsibility for matters of detail which they cannot usefully, and do not actually administer; the clear definition of the responsibility actually belonging to all classes of public functionaries; the appointment of a Governor General and Council for all India, with powers and duties so defined as to make him such in reality, not in name; the union of the armies of the three Presidencies under one head; the transfer of the whole to the Crown; the substitution of a part of the Royal Navy for the Bombay Marine or the Indian Navy; the better regulation of the supply of stores required by the Indian Governments; a stricter check upon expenditure in public works; the better definition of the functions of direction as distinguished from those of control; the exclusion of the controlling authorities from all patronage direct or indirect.

I should suppose it likely that the purposes of economy would be promoted by the employment of the Ordnance and other national establishments, in all business connected with the Indian army, which has to be done in England in their several departments. The Island of Ceylon ought, I should think, to be part of the Indian Government; St. Helena should be a national concern; and of course the revenues taken from the people of India in virtue of our national sovereignty, should be regarded as belonging to the public purse of England, so that every saving in our territorial charges may be considered as a national saving; and every waste of our territorial resources, a waste of the public money.

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AS the means of reducing the two items of charge observed on in the answer to No. 2, a remedy, though perhaps not a very palatable one, presents itself, by the employment in office of native Hindoos, Mahometans, Anglo-Indians, and (if free settlement in India should be granted) of British settlers in every department of the government, where competent persons can be found to fill the offices. Such persons would gladly serve for salaries affording merely the means of living respectably in the station of life suitable to their respective offices; they would serve for life, or till late in life, and a small annual deduction from their salaries would form a sufficient fund to meet all demand for retiring allowances, without adding to the annual burthens.

Mr. Langton.

Were this sacrifice of patronage to the welfare of India made, the measure would operate very gradually, even if every opportunity of resorting to it were embraced; and at least 25 or 30 years must elapse before it could be carried to the extent which it might be deemed safe and prudent to go in this respect.

The relief to the finances would also be gradual, but it would soon begin to be felt beneficially, and in process of time, would both very materially reduce the charges on the Indian revenues, and do away, in a great measure, with the necessity for those remittances so exhausting to India, and for which no return in British produce and manufactures can be made.

The reduction in the rate of interest paid on the register debt of India, since 1808-9, from $8\frac{1}{2}$ to 5 per cent., is an advantage which speaks for itself, and without which the state of the finances would be really deplorable. I am not aware of any disadvantage from the change, except that the savings and fortunes made in India can no longer be accumulated, without risk, at Indian rates. The reduction of the rate proves, I think, that the debt is in fact due to Europeans, and might without difficulty be transferred to England, reducing at same time the rate to the level of English interest, or say to 4 per cent., and giving a relief to the Indian finances equivalent to the annihilation of eight or ten millions sterling of debt. The measure, however, would probably not succeed, unless the legislature were prepared to declare this country responsible for the debt of India. It might be useful to inquire, whilst no danger threatens, What would be done for the creditors of the India debt, in the event of the country being unexpectedly torn from us?—If they would have to bear the loss themselves, the interest they now get is low enough; if they would have to be indemnified, the interest ought to be reduced with as little delay as possible.

IT may be worth considering, with reference to the education now given to the young men at the College of Haileybury, and the advanced age of the writer of the present day, whether they may not, on reaching India, be made available for a portion of the judicial duties performed by the magistrates and judges, or whether it may not be better for the country, and more economical, to nominate one or more assistants to every judge and magistrate, than to nominate any new assistant judge, in the event of increase of business. If the assistants, or such of them as by their attention to the details of judicial business were qualified to discharge the duties of a magistrate in the opinion of the judges of circuit, were allowed to draw an addition of allowance equal to 500 rupees per mensem, in lieu of travelling and deputation allowance, their services might be made available in the interior of their districts, without any additional charge to the State; and by employing them the magistrates would be saved much time to devote to their civil causes. The assistant now receives 400 rupees per mensem, and when on deputation his travelling charges, in addition to deputation allowance of 6 rupees per diem; but he would be much more useful if at all times made available for the judicial duties of his district, were he placed on a fixed salary of 500 rupees, and his authority extended. In all departments of the service the junior servants ought to be employed in performing a portion of the duties entrusted to the heads of offices; and they should be made to understand that promotion to offices of responsibility would depend on the ability with which they perform their duties as assistants.

Mr. Wood.

The receipt amounted to 6,97,791 rupees. As recommended in the Judicial, the assistants in this department may probably be made to perform much of the duties now exacted from the collectors; and if their allowances were made to depend on their attention to the details of the business of the departments, the State may be saved the expense attending the formation of new collectorships. With reference to the charge for revenue surveys, it is probable that the juniors of the service would qualify themselves to survey if the increase of their allowances depended on it; and the knowledge of surveying is so very essential to enable them to check the measurements of the natives, and estimate the value of land, that it would be economy to grant an addition of 100 rupees to the established allowance of 400 rupees per mensem to every assistant who qualifies himself to survey land.

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I am asked if I can devise any arrangements by which the charges can be reduced, and I would beg to recommend that they may be carefully revised, on the principle of bringing them to the scale that may be deemed requisite to raise the revenue to the scale of expenditure required for the three Presidencies, and to meet the home expenses chargeable to territory; and that the principle of dispensing with establishments, rather than any reduction of allowances, be followed; for I am persuaded that at present, with the greatest economy, and by saving one-third of allowances received, it will take 30 years to accumulate 36,000 *l.*, calculating 4 per cent. interest; and when it is considered how few at the age of 20 can expect to live to the age of 50, it may be admitted that the prospects of the service are not too great, and that the servants of the Honourable Company are not too highly paid for discharging the most important duties that can devolve upon any set of men, in banishment from their native country, and in a climate very unfavourable to an European constitution. It must also be taken into consideration, that their time abroad is fully occupied, without a day's relaxation from business, and their attendance required on an average of eight hours per diem. It has been suggested to me, that natives may be entrusted with the details of much of the business now performed by Europeans, at a much lower charge. My experience tells me, that the State would lose by any arrangement of the kind. There have been, I am sorry to say, too many instances of misconduct at all periods amongst the lower as well as the higher classes, and particularly lately amongst the highest educated, and those admitted into the society of European gentlemen, to prove that they could not be trusted with the management of a revenue treasury. It is unnecessary to mention names, but the prosecutions in the Supreme Court will prove, that there would be no safety in trusting the most respectable families, and I have been made acquainted with too many instances of very respectable men being imposed on by their own relations and servants, that I fear the Government would be subject to loss if it were to seek recommendations through the natives of rank. I wish we could look for any improvement of character from the education now afforded by the native college; but I cannot flatter myself with hope, and I do not think the natives look to any improvement, although they submit to have their children instructed in European literature; they have had, however, the mortification of seeing one or two turn out very ill, and one of the most respectable families to lose the largest portion of its fortune by the forgery of the father's name, and the sale of the government notes. I am of opinion that the junior servants cannot be employed too early in carrying on the details of the duties performed by their seniors, and making themselves acquainted with the duties now performed by the natives, and familiar with their books and entries in their native language, and that they should be employed in the interior of their districts, and mix with the population as much as possible. The character of the natives can be only known by such communication; and we can only obtain the confidence of the natives by such personal intercourse. It was in this way that Mr. Duncan and Sir Thomas Munro gained the character which they have left behind them, and which has raised the character of our government amongst the natives. When at Fort St. George, I mentioned with what pleasure the natives in the villages at Benares spoke to me of Mr. Duncan's having mixed so much with them; and Sir Thomas Munro observed to me, that the natives on the Coast delighted at the opportunity of speaking in the same way of him; and that the Honourable Company's servants, to be useful, and check the conduct of the native servants placed under their authority, must follow the example set them by Mr. Duncan. If the revenues cannot be collected without the charge of European superintendents, it is important that there should be as few as possible, and it may be useful to revert to the scale of the establishments maintained in 1808-9, with the view of doing away in the Lower Provinces the offices created since that period, if they can be dispensed with; and also for the purpose of ascertaining if, by the aid of assistants, the principals may not be able to perform the duties which formerly devolved on them. It will be useful if the accountant-generals at the three Presidencies are directed to furnish annually a special report on the increase to the different establishments, and suggest what may appear to them desirable for the information of the Honourable Court and the home authorities. If desirable, the monthly and quarterly audits of the Civil and Military Departments may be sent home, and the military and civil auditors of the three Presidencies may be directed to continue, under the head of Temporary Establishments to be remarked on, all charges not sanctioned by the Honourable Court, whose sanction alone should be deemed sufficient authority to bring a charge on the fixed establishment.

QUERY V.—In what Mode, and upon what Terms, has Money been borrowed in India by the Government, since the year 1808–9, and what are the advantages or disadvantages of the course that has been pursued?

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ANSWER.—ALL the money borrowed by the Government in India within the period in question has been raised by means of public subscriptions to open loans. The rate of interest has fallen from ten to eight, six, five and four per cent. The principal and interest of old loans were payable by bills on England. This is now the case with respect only to about a third part of the debt. The loans are liable to be discharged, at the option of Government, after certain stipulated periods or length of notice. The mode pursued has had the advantage of enabling the Government to borrow upon better terms than private persons, and without favour to one tender over another, and to adapt the treasuries at which interest and principal were payable to their own convenience. Its chief disadvantage has been that of enabling Government to borrow with facility, and to spend with prodigality.

Mr. Hill.

THE money required by Government in aid of its proper resources has generally been borrowed by opening all the treasuries of collectors, and political residents, as well as the head treasuries of the three Presidencies, for the receipt of cash in loan to the East India Company. Bills payable being received as cash. The subscribers to such loans receive acknowledgments, entitling them and their representatives to an annuity equal to the interest of the sum subscribed, payable by half-yearly or quarterly instalments, until the Government shall see fit to pay the principal; but the instruments, though without any definite term of repayment, have the form of a promissory note, and are transferable by endorsement. The rate of interest has never during the period under review exceeded six per cent. per annum, to which rate the interest of nearly the whole of the fixed debt of India was reduced during the administration of Lord Minto: about half a million sterling of eight per cent. debt remained at Bombay until the year 1814. In 1823 the interest of a considerable portion of the debt was reduced to five per cent. per annum; and at this rate money has since been raised, excepting that at the commencement of the Burmese war, about a crore and a half of rupees was obtained at four per cent.; but subsequently almost wholly transferred to a five per cent. loan, on the condition of an equal amount being subscribed in cash, and that in 1828, a trifling sum was similarly obtained. The amount which the promissory note conditions to repay has always been the same with that actually received, excepting (in as far as I know) one instance, when, during the Pindarree war, notes were issued at a discount of four per cent., *i. e.* at the rate of 100 for 96 of cash subscribed. But occasionally considerable advantage has been allowed in the exchange, either with the view of supplying local wants, or indirectly as a bonus to promote subscriptions; and the principal of a large portion, and the interest of the whole of the fixed debt as it stood in 1822, being payable by bills on England at the rate of 2s. 6d. per the sicca rupee, and at 12 months date, the loan proprietors had a still more essential gain from that cause. This has been partially corrected; and, according to a Report from the Accountant General of Bengal, dated the 1st July 1830, the fixed or registered debt of Bengal stood as follows:

Mr. Mackenzie.

	Held by EUROPEANS.	Held by NATIVES.	TOTAL.
	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>	<i>Sa. Rs.</i>
1st. 6 per cent. remittable loan of 1822 -	7,00,06,400	47,04,800	7,47,11,200
2nd. 5 per cent. loan - - 1823 -	7,02,74,600	2,14,20,900	9,16,95,500
3d. ditto ditto - - 1825-6 -	6,64,16,000	2,77,38,300	9,41,54,300
4th. 4 per cent. ditto - - 1823-4 -	3,13,400	9,17,700	12,31,100
5th. ditto ditto - - 1828-9 -	5,28,100	4,14,100	9,42,200

Of the first, the principal when repaid, and it cannot be forced upon the loan-holders during the currency of the Charter, is demandable in bills on England at the rate of 2s. 6d. the sicca rupee, the interest being intermediately payable half-yearly, either in cash in India, or, if the proprietors reside in Europe and demand it in that form, by bills at the rate of 2s. 1d. Of the other loans both principal and interest are demandable only in India, but to the holders of the second, an option was given of receiving their interest, which is payable half-yearly, in bills at the rate of 2s. 1d. during the pleasure of the Home Authorities, and of the third and fourth, the interest issued quarterly was made payable to all holders, wheresoever resident, either in cash or in bills, at the rate of 2s., with a similar reservation to the Home Government; which has been, the Board is aware, in both cases enforced by countermanding the issue of interest bills. The five per cent. loan of 1823 is repayable only by annual instalments of one and a half crore of rupees; the notes first entered in the register

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having the advantage of being last liable to be discharged. The other five per cent. loan is repayable at pleasure after the middle of the present year, if I rightly recollect the date. Besides the money regularly borrowed, as above described, from the public at large, different sums have been received at different times from Native Princes and Chiefs. Thus in the administration of Lord Hastings, two crore of rupees were borrowed from the sovereign of Oude, of which one was discharged by a cession of territory, and of the other, since partially paid off, the interest was applied to the payment of certain stipends chargeable to the Oude government. During the same administration, a sum of about 50 lacs of rupees was obtained from the same Prince, in consideration of his having transferred to him the property of the deceased Begum of Tuzabad; the Bengal Government taking upon itself the payment of stipends to the descendants of that Princess, equivalent to an interest of six per cent. on the amount received by it. During the administration of Lord Amherst loans of one crore and of 50 lacs respectively, were obtained from the King of Oude, at an interest of five per cent., the first with a special appropriation as defined in the engagements then recorded in the political proceedings of the government; and the Scindia State advanced 80 lacs, and the Rajah of Putteula, one of the protected Sikh Chiefs, 20 lacs of the local currency at the like interest; other loans, of some lacs each, being received also from different petty chiefs and monied men. These last-mentioned loans have, I imagine, been now repaid, arrangements for that purpose being in progress when I left Bengal in December 1830; among which it may be worth noticing the engagement of the chief native banker at Guallier, through his agent in Calcutta, to advance 50 lacs for promissory notes bearing five per cent. interest. To meet temporary exigencies, acknowledgments, called treasury notes, have at various times been issued, with different rates of interest, from the general treasury of the Presidency; they have generally been made payable at a specified, and that not a distant date, and are receivable intermediately in payment of government demands on account of customs, salt and opium, or other public dues collected at the Presidency. Deposits, too, are received from various public institutions, under special arrangements, which I need not detail, having already, I fear, detailed too much. On the whole, I think the plan pursued, if the Government must borrow, is an advantageous one; though it would not probably answer on a larger scale of expenditure. The money is obtained without the intervention of any expensive agency. The gradual savings of persons employed in the public service, and other individuals, are gathered in small sums throughout the country, in a manner very convenient to the parties, and consequently on terms favourable to Government. The form of the promissory notes admits of their being readily assigned in security for money borrowed, which adds to their value; and as the loan can be discharged by the payment of the same amount as was borrowed, excepting the option of remittance too hastily allowed and now discontinued, Government has none of the embarrassment that results from the obligation of an artificially exaggerated capital. It is curious to remark the charge incurred by the Company on account of the two millions borrowed in England in 1812, in consequence of their having become bound for an equivalent amount of three per cents., redeemable by a sinking fund. I have lost the calculation I made, but it proved, if I remember rightly, that not less than 15 per cent. per annum had been paid for the use of the money; and it may not be useless to observe, for future consideration, that the advantage of the three per cents. lying in the superior value of the annuity (3*l.* per annum on 100*l.* stock, selling higher and therefore yielding more to the Exchequer than the same annuity on 60*l.*), it may be reasonable to follow the plan of borrowing at a discount when there is no intention of paying the debt, but that such a scheme is likely to prove a very bad one if we ever come into the condition of discharging the obligation. By the course followed in India, the Government has certainly obtained a great command over its creditors, and it is only to be regretted that the remittance clause placed a considerable portion of the debt out of the reach of those measures which would have been otherwise adopted, but which seemed to be impracticable without the aid of Parliament.

QUERY VI.—What number of Mints existed in 1809, and at the present time; what are the general Regulations of the existing Mints, and what has been, and what is now, the condition of the various Currencies, and of the Import and Export of the precious Metals?

Mr. Wood.

ANSWER.—IN 1809 there were three mints, one at the Presidency, one at Benares, one at Furruckabad; and there are now three mints, one at the Presidency, one at Benares, one at Saugur. At Bombay three mints, at the Presidency, at Trivat, and at Broach; and at Madras one mint. For the regulations of the existing mints, I must refer to the printed regulations of the three Presidencies. The mints are accessible to the public on a payment of the mint duty of two per cent.; and individuals carrying bullion to the mints are allowed to superintend the melting and weighing of their bullion. It is usual to roast dollars and other foreign coins, to ascertain that they have not been plugged before they are melted. On the value of the bullion being ascertained, a mint certificate for the out-turn is issued to the party wishing to have it converted into coin, and this certificate is payable in cash from the General Treasury, without waiting the process of the coinage. The coin is received throughout

throughout the country by weight, and when under weight one per cent., the revenue officers receiving it are directed to remit it to the mints for recoinage. In the Lower Provinces, and in Behar, the Calcutta sicca rupee, in which all the accounts are kept, is only current, and its weight is 191.916; pure metal 175.923, and alloy 15.993. In the Western Provinces the Furruckabad rupee is current, and weighs 180.234; pure contents 165.283, alloy 15.019. At Madras, the rupee weighs 180; pure contents 165, alloy 15. At Bombay, I believe, the currency is now made to conform to the Madras and the Furruckabad: the Bombay and the Madras rupees are made to circulate in currency at these Presidencies at an equal value. Gold, from selling at 17 rupees 8 annas, and 18 rupees, the gold mohur, when its value in account is only 16 rupees, has disappeared from the circulation. The weight of the new gold mohur is 204.710; pure contents 187.651, alloy 17.059. At one period the revenues were paid in gold; but silver having been more abundantly supplied, has become cheaper than the rate at which it was convertible into gold in payment of revenue, and at the mint price, and gold has been withdrawn. The currency has been maintained at its full weight, under the regulation of receiving it only by weight; and for the imports and exports of the precious metals, I beg to refer to the returns accompanying my Reports on the Accounts of 1826-27. If one currency were established for British India, there would be no necessity for more than one mint at each of the Presidencies to coin the importations of bullion; for the short-weight rupees, which seldom amount to more than three or four lacs, may be easily remitted, as opportunity offers of troops proceeding to the Presidencies, for recoinage.

Great facilities would be afforded by establishing one current coin for the whole of British India, and for the British possessions to the east of the Cape of Good Hope, bearing on its face, in the native languages of the three Presidencies, and in English, its weight, its pure contents, and its alloy, in grains. If such a coin were established for the British possessions, the surplus receipts of one Presidency would be available for the excess of disbursements at another, without passing through the mints; and in the event of its being remitted to Europe, there would be no necessity for its being melted to ascertain its value, and it would be used for the mercantile currency of the world in the same way as the dollar, and probably find its way back to India through a circuitous channel, if not by a direct one, but would be more valuable than any other bullion by the amount of the mint duty, or 2 per cent. on the coinage.

THERE has been only one mint at Madras throughout the period in question. Its sole employment, with scarcely any exception, has been that of recoinage for Government the former currencies which they had called in. There is little import or export of the precious metals at Madras, and little coinage for private individuals. The rate of seignorage is two per cent. The currency established in 1818 consists of silver; the rupee of 180 grains, containing 165 grains of pure silver and 15 grains of alloy. The gold coinage is of the same weight and fineness as the silver, but the ratio between gold and silver is liable to be varied from time to time by a Government Proclamation.

Mr. Hill.

IN Bengal (I mean the territories belonging to that Presidency) there were four mints: the Calcutta mint, a mint at Benares, a mint at Furruckabad, and a mint at Delhi. The currencies were three: the Calcutta sicca rupee, the Benares rupee, and the Furruckabad rupee. This last, sometimes called the Quenow rupee, because intended to be equivalent to that of the Oude government, was struck both at Furruckabad and Delhi, but the Delhi mint was never employed to any extent of importance. The Calcutta sicca rupee was, throughout the period in question, and long before it, circulated in the provinces of Bengal, Behar and Orissa. The circulation of the Benares rupee was confined to the province of Benares; that of the Furruckabad rupee extended to all the Ceded and Conquered Provinces, excepting Cuttack and the acquisitions east of Bengal, into which the Calcutta rupee has been introduced.

Mr. Mackenzie.

The mints at Delhi, Furruckabad and Benares have been abolished; and the rupees current within the territories subordinate to the Bengal Government have been reduced to two; viz., the Calcutta sicca rupee and the Furruckabad rupee; the currency of the latter being extended to Benares. The standard of both is now the same, the alloy being 1-12th of the weight; and for practical purposes the Calcutta rupee may be regarded as weighing 192 grains troy, with 176 of silver, and the Furruckabad, 180 grains with 165 of pure metal*; the fractional excess in the latter and defect in the former coin being too minute to deserve notice, even if the adjusting machinery of the mint were perfect. At Madras and Bombay, each of which has, I believe, always had one mint only, a rupee is coined of which the prescribed weight and standard agrees exactly with that above stated for Furruckabad, viz. 180, with 1-12th alloy; and since all the three rupees are issued to the army as equivalent to

* Calcutta sicca rupee 191,916 grains troy.
Furruckabad rupee 180,234 —

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to the sonat rupee (now a nominal coin), it would seem easy to make them really alike, and to give them a common currency, and not impracticable to make them take the place of the Calcutta sicca rupee in the provinces of Bengal, Behar and Orissa. A copper coin, weighing 100 grains, passes throughout the Bengal territories at the rate of 64 to the rupee, but as a legal tender only for the fractional parts of that coin. I have not mentioned among the regular mints of Bengal that of Saugor, because it was established there for a temporary purpose, viz. the conversion of the local currencies into Furruckabad rupees, and it has, I presume, been or soon will be abolished. Nor can we reckon among the currencies the gold coin that issues from the mint; because the market value of gold relatively to silver having risen considerably above the mint value, the gold has ceased to circulate at the prescribed or at any fixed rate. It may be right, however, to mention, that the gold mohur of Bengal weighs 204.710 grains, of which the fine gold is 187.651. The Madras gold rupee is of the same weight and standard with the silver, viz. 180 grains, and at both Presidencies the relative value of gold to silver is 15 to 1; the Bengal mohur being reckoned equal to 16 rupees. The general rules of our Bengal mint, with which I believe those at Madras and Bombay coincide, are as follows: All bullion tendered by individuals is converted into the current coin, on the payment of a seignorage duty of two per cent. A charge at various rates is also made for the expense of refining, which attaches to gold if in any degree inferior to the standard of the mohur, and to silver when below the standard of the Spanish dollar, or six worse than the rupee. On the coinage of half and quarter rupees, an additional duty of one per cent. is levied, and this is the only duty chargeable on the recoinage of money that has issued from our mint. To prevent the circulation of light money, it is prescribed that the several coins shall not be receivable as a legal tender, if when separately weighed they shall be found to have lost more than two pice, or 2-192 parts, equivalent, in the case of the Calcutta sicca, to 1.999 grains troy, or we may say two grains, if the rupee be taken at 192 grains.

The condition of the currency, as far as regards the bulk of the money circulating within our provinces, is, I believe, unexceptionable. But in different places old coins still circulate to a limited extent, and expose the people to some loss in their transactions with the money dealers; and in the territories of foreign states considerable embarrassment in the adjustment of rates of exchange has been experienced from the irregularity of the current coins.

For information in regard to the import and export of the precious metals, I beg to refer to the Trade Reports of the three Presidencies, and especially to the Review of the External Commerce of Bengal, published by Mr. Wilson, at Calcutta in 1830.

It will thence be seen that this branch of trade has undergone very great variations. As to its present condition, it may be briefly stated, that the balance with England being against India, and (China excepted) the export trade of India to the other countries whence it drew our bullion having declined, it seems likely that for some time the supply will not equal the demand; and that consequently a fall in prices, attended possibly with some difficulty in the realization of the Revenue, excepting that derived from opium, may be anticipated, until the cheapness of commodities, from the scarcity of silver or improved modes of production, shall again turn the course of trade.

It has become, therefore, especially expedient that every measure by which the exports of India can be increased shall be adopted. And it may not be unimportant to consider whether increased facility may not be given to the transfer of bullion and coin from that country to this, since pending the transition of exchange, every expense in the remittance of gold or silver will apparently operate as a tax upon the trade, and that a tax of pure loss.

The trade between England and India being reduced to a very small scale, the interest being lowered, and no possibility existing of procuring bills of exchange on favourable terms, are circumstances which have obliged individuals to send to England the gold and silver coins of India, by which they effect a more favourable exchange. The governments of India have also, I understand, sent considerable sums to England, and with what was exported during the Burmese war, must have impoverished India in those precious metals. To facilitate the intercourse between the countries, would it not be worth the consideration of the Government to make the coins of India bear a proportionate value to those of England? This might be accomplished by a very simple method for the present, until a new coin is introduced, by stamping on the coin His Majesty's head, with its relative value underneath, in the same way that formerly obtained with Spanish dollars. It would prevent the coin from being melted, and would confer on the colonists of the Cape of Good Hope, Mauritius and Australia, most essential benefit.

QUERY VII.—What steps have been taken for the separation of the Territorial from the Commercial Accounts of the Company, in India and in England; and whether, and what, further Measures are required for that purpose?

ANSWER.—THE books of account, both in India and in England, have been arranged according to the plan for the separation of accounts as approved by the Commissioners for the Affairs of India, in June 1814, and subsequently presented to Parliament. Since that period, an alteration in respect of political freight and demorage was proposed by the Court, and agreed to by the Commissioners for the Affairs of India, on 15th December 1819.

Mr. Lloyd.

Discussions at various times have taken place between the Board and the Court upon points connected with the accounts respectively of Territory and Commerce, as follows:

In respect to the propriety of charging interest upon the annual Balance of Account between the Territorial and Commercial branches:

Letter from the Board, dated 17th February 1818.

Letter from the Court, 12th August 1818.

Extract Letter from the Board, 23d and 30th April 1823.

Extract Letter from the Court, 1st May 1823.

Letter from the Board, 15th March 1824.

Letter from the Court in reply, 25th March 1824.

Letter from the Board in rejoinder, 17th April 1824.

Letter from the Court in answer, 17th June 1824.

Letter from the Board, transmitting case and opinion of Counsel, 30th November 1824.

Letter from the Court, transmitting case and opinion of Company's Standing Counsel, 6th July 1825.

Letter from the Board, 12th July 1825.

Letter from the Board, 23d December 1825.

Letter from the Court, transmitting case and opinion of the Law Officers of the Crown, and the Company's Standing Counsel, 2d April 1828.

Letter from the Board, 17th August 1830.

Letter from the Court, 9th December 1830.

With respect to Insurance proposed to be charged on the Company's Accounts:

Letter from the Court, 31st January 1818.

Letter from the Board, 17th February 1818.

Letter from the Court, transmitting a case and the opinion of the Law Officers of the Crown, and the Company's Standing Counsel, as to the legality of reserving a sum out of the surplus profits to answer contingent losses.

On the mode of stating the Company's Accounts between the two Branches:

Letter from the Board, 30th April 1823.

Letter from the Court, 18th September 1823.

Letter from the Board, 1st December 1823.

Memorandum from the Board, 18th February 1824; with reference to the Board's letter of 1st December 1823.

Memorandum of the Chairs on the same subject, dated the 20th February 1824.

On the subject of charging the Territorial department with the Loss in respect of investment from India to meet Bills drawn for Interest of India Debt:

Letter from the Court, dated 8th July 1830, enclosing statement.

Letter from the Board, 17th August 1830.

Letter from the Court, 9th December 1830.

Reviewing the Indian Books from the year 1814:

Several Despatches, both in the Territorial and Commercial Finance Departments.

Commercial Finance Letter to Bombay, 9th April 1817.

Commercial Finance Letter to Bengal, 25th May 1819.

Public Letter to Fort St. George, 12th July 1820.

Commercial Finance Letter to Bengal, 28th November 1827.

Commercial Finance Letter to Bengal, 5th March 1828.

Territorial Finance Letter to Bengal, 1st April 1828.

Commercial Finance Letter to Fort St. George, 3d December 1828.

Territorial Finance Letter to Fort St. George, same date.

Commercial Finance Letter to Bombay, 26th August 1829.

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Regarding the rate of conversion of the several Indian Coins :
Regarding the Expenses of Bencoolen :

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Discussion upon these points has terminated, with the exception of the subject of charging interest upon the Balance due from Territory to Commerce, except also upon the subject of charging the Territorial department with the loss in respect of investment from India to meet bills drawn for Interest of Indian Debt.

Mr. Langton.

THE system of Accounts, of which the outline was prepared by the Company in 1813, and which was sanctioned by the Board of Commissioners, appears to be so satisfactory, as to leave nothing to be desired in respect to the mechanism of the plan. And in Mr. Melvill's evidence of 1830, No. 5668, it is stated, that "the accounts are kept by double entry, and balanced annually, with all that attention to accuracy which characterises book-keeping in the counting-house of a merchant."

A good system of accounts does not, however, supersede the necessity of an audit. The Act of 1813, places ample powers for this purpose in the hands of the Board of Commissioners, but of which it does not appear that the Board has ever availed itself.

Mr. Hill.

THE separation of the Territorial from the Commercial accounts of the Company at Madras has been completely carried into effect, and no further measures are required for that purpose.

Mr. Wood.

I AM unacquainted with the method observed in England. In India the Accountant-general allows no advance on account of Commerce without a previous order from the Government, and on receiving the same, issues his directions for the advance from the Treasury, where it is required; and the officer making the advance takes the receipt of the commercial officer receiving it, and debits Commerce with the amount. A statement of these advances is furnished the commercial accountant for his information; and it becomes his duty to see that the advances are properly appropriated in the Commercial departments. The Territorial department has no control over the commercial advances from the period that the sums are paid out of a territorial treasury.

Mr. Mackenzie.

THE measures taken for this purpose have doubtless been explained to the Board much better than I could hope to do. I shall only therefore observe, that in so far as regards India, I am not aware of anything further being required.

The commercial branch had indeed been exempted from some inconsiderable charges on account of guards, and from its share of some items common to the two branches; but this has been I believe corrected, and excepting in so far as the members of Government may be considered to act in a commercial capacity (the less they do so the better for the Company's trade as well as for the country), I believe the separation has been carried into complete effect.

At home, the main thing wanted is the distribution of stock, on which it appears that hitherto there has been no distinct determination; and I am somewhat at a loss to understand how the dividend and the amount of commercial surplus can have been satisfactorily declared without such an adjustment between the two branches of the Company's concerns. It seems consequently to be important to ascertain from the India House how the amount of the yearly and half-yearly profit is ascertained, how the existence of a profit sufficient to pay the dividend or of a surplus beyond it, is shown to those who have to control the application of the surplus, whether any and what restriction other than the discretion of the Directors is put to the accumulation of commercial stock; how the commercial assets have accumulated, and how the Company would stand, supposing it to cease from having any concern whatever with the Government or Territorial Revenues of India; and taking into account all assets and debts, and all rights and obligations attaching to the corporation, this should have been done long ago; but though it may be difficult to come to a satisfactory adjustment now, that difficulty will only be aggravated by further delay.

QUERY VIII.—Whether any instances of Loss or Waste have come to your knowledge during the period referred to; and is the system of Accounts, whether general, subordinate or personal, such as is best calculated to guard against Loss, to prevent unauthorized Disbursement, and to compel the bringing to account, promptly and accurately, Public Money or Stores received and expended either by Individuals or by Departments; and whether any suggestions can be offered for improving and simplifying the existing system of Accounts?

ANSWER.—IT appears from the Report of the Select Committee of 1811, p. 366, that a loss of near 900,000*l.* was sustained between 1792–3 and 1808–9, by the transmission of money from one Presidency to another; the money remitted being either not current at the place of its destination, or current only at an inferior value. I have not observed any indication in the papers laid before the present Select Committee, of what loss has been sustained since 1808–9 from this cause; but similar losses must have been experienced, as appears from Mr. Gordon's Evidence in 1831, Nos. 2139 to 2141. The uniform coinage recommended by him, would not only prevent the recurrence of such losses, but would obviate another inconvenience, experienced also in many parts of Europe, but bearing very severely on the Ryots of Hindostan; (see the same Evidence, Nos. 2114. 2117,) that, namely, of affording constant opportunities to the cunning and crafty to impose on the unsuspecting and the ignorant.

Mr. Langton.

The defalcations alluded to in No. 3, come under this head; but as the system of accounts in use between the Finance Boards and their agents is not known to me, I can offer no suggestions for their improvement or simplification.

I AM of opinion that the system of accounts now used, and the checks in practice, if observed, are sufficient to ensure the Government from loss; and having been framed from time to time to meet every circumstance calling forth the attention of the Government to prevent loss, that little improvement can be looked for; at the same time the vigilance of the service must be alive to every change, and watchful to prevent the designs of individuals against the Government: and there are many on all occasions ready to take advantage of any negligence on the part of the heads of offices and the Government servants.

Mr. Wood.

I have known a loss at the mint of the Presidency; and, since my return, there has been a loss sustained at the mint of Benares; in both instances through the misconduct of the mint masters. I have known the treasury of Delhi, of Moorshedabad, and of Sylhet, to have sustained loss by the misconduct of the Native treasurers and their Amlah; and by the officers in charge omitting to pay that attention to the details of their management so essentially necessary to prevent the receipts from being misappropriated. I have known the General Treasury and the Bank of Bengal defrauded at different times; and other treasuries, by the misconduct of the Native Amlah, and by a want of vigilance on the part of the officers in charge. In almost all these instances, the Government has been saved from loss by the security of the native treasurers covering the loss, even when the native in charge has destroyed himself. The accounts and checks have been sufficient to show the extent of the frauds committed, and are ample to ensure, with common attention on the part of the Board and Judges of Circuit, the Government from loss. In the investigations which have on every occasion followed the report of any irregularity, the officers in charge of the treasuries have been dismissed their offices, on proof of neglect being brought to the satisfaction of the Government. For the credit of the service there have been few instances in which a servant has ever been proved to have participated, directly or indirectly, in the frauds committed; and when this has been proved they have invariably been dismissed the service. It is the duty of the Accountants-general of the three Presidencies to keep a watchful eye over the treasuries throughout the country placed under their control and management; they ought to receive monthly reports of the balances, and estimates of their receipts; and it is seldom that an opportunity offers of any misappropriation of receipts, as the accounts of every officer under the Government are checked monthly in the office of the Accountant-general in the Civil and Military departments.

I do not immediately recollect any losses or instances of waste that can be traced to a defect in the accounts as their cause; what has been wanting is promptness in the audit, and a sufficiently frequent examination of the cash actually in hand compared with the stated balance. In the accounts of the Store department, indeed, I should infer some defect, from the difficulty experienced in obtaining from the Military Board of Bengal a clear account when required by the Government under instructions from home; but I am not able fully to explain the matter, which indeed could only be done by taking up the accounts successively;

Mr. Mackenzie.

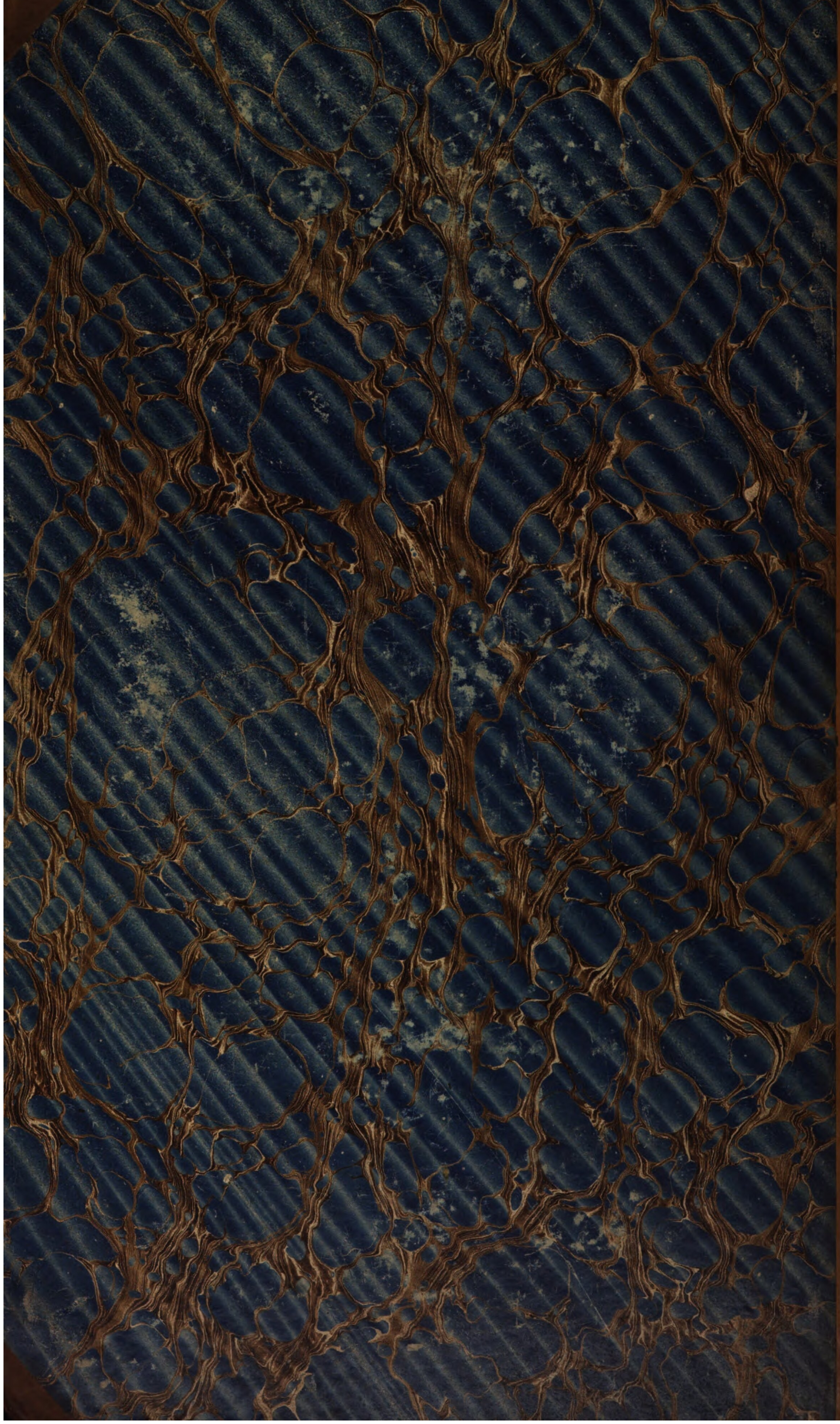
Appendix, No. 38.

Answers to Queries,
relating to the
Finances of India.

and, as a general suggestion, I should say, that every important defect of record will be remedied by enforcing universally the principles of balanced commercial account, which already generally prevail in the financial transactions of the Government. It might possibly be useful to depute to India an officer from the Accountant's department in this country; it being next to impossible, within the ordinary time of man's life, to set such things right by means of correspondence; nay, I am disposed to think there would be advantage in causing the officers of Account at home and abroad to rise as in one establishment; I exclude of course mere clerks or copyists, and confine the suggestion to higher European functionaries.

Mr. Hill.

IN answer to a former letter, I have stated my opinion that all the officers of Account in India ought to be trained to their duties in England, and ought to receive their appointments and their instructions from the authorities at home.



Minutes of evidence taken before the select committee on the affairs of
the East India Company and also an appendix and index ; II. Finance and
Accounts-Trade, Part 1 Finance

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